

FRIDAYS AT FOUR
VOLUME FIVE ISSUE TWO

News and trends from our readings and travels

This past few weeks we were at the Western Fairs meetings in Reno and also watched the trends coming out of the Fancy Foods Show in San Francisco.

A few other items from our reading this week. First from the front page headlines of the Wall Street Journal Friday January 30th. At the top of the page is “Amazon’s sales surge, bucking retail slump”. The second fold headline reads “As red ink spills, Ford drains credit lines”. Amazon reported earnings of 52 cents per share in fourth quarter of 2008, Ford reported a net loss of \$2.46 per share. Two companies, that in these times, say volumes about the change in our economic base .

In an article on Shopper Marketing—“Ten to fifteen years ago, the top ten retail accounts of the typical packaged goods manufacturer represented 20 percent of sales. “Due to consolidation and the rise of megachains....those top customers represent as much as 80 percent of sales, more in many cases”...Media Week January 19.

If you are wondering what constitutes shopper marketing, the following is the current definition for these strategies (shelf talkers,end-aisle displays and the newest:in-store video networks).

Another interesting article comes from Media Week....A new Harris Interactive study found that “the path to purchase” entails consulting an average of four sources of information, with search engines leading the way, followed by discussion with family and friends, visits to the store, and a store’s web site.

The main theme of the Fancy Food Show was how to give customers a special experience. Harvey Hartman of the Hartman Group sums it up this way—“Consumers are watching their dollar, but they are not opposed to spending it on expertise,on quality,on authenticity, on homemade”..At times a soft economy becomes even more of an opportunity because, long-term,more people who used to eat out, will be cooking and entertaining at home” ---Specialty Food Magazine Jan-Feb 08

This also from the same magazine...a new cup made by Freshens, the ecotainer is the first compostable cup. The cup uses PLA, a biopolymer...for more information you can visit freshens.com. By the way US consumers use 40 billion paper cups and 25 billion plastic and foam cups every year.

From Western Fairs, there were many discussions of the impact the economy will be placing on Fairs this year. One of the major topics was the two Fairs (LA and Orange County) that will be expanding to five weekends in 2009. Other topics discussed were the importance of customer services, highlighted by a presentation by Scott Deming. His main point was that “services merely get you in the game. It is not about the stuff. It is about shattering customer expectations. If you can create an emotional, unique and unexpected experience, you will develop the EC”...an emotional connection. You can learn more by going to Scott’s web site.

This issue we close with a book recommendation. We have started to read *Simplicity*, by Jeffrey Kluger. The book talks about a new science that is developing around the idea of simplicity. Lots of interesting examples of how complex things can be made simple and why simple things become complex.

Remember..If you have a need to look at your food and beverage program, and are looking as we all are for ways to increase your revenues, without major expense increases, give us a call at GF Strategies. WE have now done just that for over 70 of the leading venues, Expo Centers and Fairgrounds in North America. You can contact us at greg@gfstrategies.com or 360-573-7027.