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Positive Results Case Study



Baesler's Market: Independent Shows Sales Increase against Mega-Competitor; Keeps Marketing Budget in Line

Problem

Baesler's Market owner Bob Baesler explains, "As an independent grocer, our biggest problem probably each and every year is competition. In 2005, when it was announced that there was going to be an additional Wal-Mart built on the east side, we were concerned. We ran a feasibility study and it showed that we would lose from 35 to 41 percent of our sales. So the biggest problem was, what were we going to do about losing that kind of market share.

"Before we had a marketing company helping us, pretty much as advertisers came in, a lot of times the different programs they had sounded good, and we would try them. The problem with that shotgun approach to our advertising was that there was no consistency from one ad to the next. And then, secondly, at the end of the year, we ended up spending considerably more money than we had planned at the beginning of the year."

Solution

"From a PR campaign standpoint," Baesler continues, "We attempted monthly to come up with something that we were doing that differentiated ourselves from our competition. One month it was Certified Angus Beef®. One month it was that we had Pay By Touch™ at the registers where people could use their fingerprint to actually pay for their groceries.

"We have been able to distribute marketing information to a number of our customers through our eDatabase and eMails at an extremely low cost.

"A promotion that we started a couple years ago was Pump Perks where people are able to buy items in the store and save money on gasoline. Even though it was a program from our warehouse, Supervalu, which supplies 4,000 stores, they did not have any type of signage available to us for in-store or for our gasoline pumps, so we depended on our marketing company to come up with the Pump Perks signs that we have at the cash registers, the Pump Perks signs that we have at the pumps, and it made it a much more professional looking program.

"Throughout the year when we've needed pamphlets for the deli, or signs for anything that we're doing for either Pump Perks or any other promotion, we're able to get that type of signage from our marketing company."

Results

Baesler says, "By using MillerWhite for our advertising, we not only showed a one percent increase in sales over the previous year, which was considerably greater than the 35 to 41 percent drop that was projected, but we also kept our advertising budget in line with what we had planned back in 2007."