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# Corvallis Food Shopping Survey, Summer 1977

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CORVALLIS FOOD SHOPPING SURVEY, Summer 1977

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## SUMMARY

This publication reports the results of a food shopper study conducted in Corvallis, Oregon, during the summer of 1977. The study was designed to provide information on how well Corvallis food stores were meeting shopper needs and to help store management identify ways to serve those needs.

The results contained in this report are based upon 475 responses to questionnaires mailed to 1,800 Corvallis households randomly selected from the 1977 telephone directory.

Shoppers were asked to rate various attributes of 11 Corvallis food stores, identify their priority considerations when selecting a food store, make suggestions for improving food stores, indicate adjustments made in food buying habits as a result of inflation, indicate how they felt about selected food-related issues, and identify other concerns about food.

The 475 respondents rated nine chain and independently owned supermarkets as being slightly better than "good" overall. Ratings of the two warehouse food stores listed in the questionnaire were not combined with the ratings of the nine supermarkets because warehouse food store operations differ substantially from those of conventional supermarkets. However, the objective of many warehouse food stores is to establish a low price image among shoppers. The results of this study confirm this practice in Corvallis.

Food prices, employee attitude, and food quality and freshness were considered important factors by the respondents when selecting a food store. These factors accounted for slightly less than half of all considerations deemed most important. In addition, shoppers identified seven other

considerations important to them when selecting a food store.

Faster checkout service led the list of suggested improvements for grocery stores. Conversely, meat and produce, employee help and courtesy, and store cleanliness were not mentioned as frequently in terms of requiring improvement as were checkout service, food prices, labeling, selection and variety, store displays, food quality and freshness, and store layout.

Among 12 food-related issues rated by the respondent shoppers, support was strong for freshness date marked on products, advertised specials, employee courtesy and helpfulness, all ingredients listed on packages, nutritional information on packages, few chemical additives, unit pricing on shelves, and low-priced "store" brand items. Conversely, issues such as being open late hours, having an in-store bakery and/or a delicatessen department did not receive substantial support.

As of March 1, 1978, unit pricing became mandatory on a state-wide basis for stores grossing 1.5 million dollars or more in sales. In this study, unit pricing on shelves was considered very important and important by 36.2 and 44.2 percent, respectively, of the respondent households. Only 2.7 percent of the respondents did not understand this issue.

Most of the respondent shoppers have made some adjustments in food buying as a result of high rates of inflation. In addition, the respondent shoppers indicated 11 additional concerns they had about food and food store marketing practices. Among these, specials, packaging, and freshness accounted for nearly 50 percent of all responses.

Generally, the respondent shoppers in this Corvallis study were satisfied with their food stores.

## INTRODUCTION AND PURPOSE

The purpose of this report is to provide information helpful in evaluating how well Corvallis food stores are meeting shopper needs and to assist retailers in understanding and serving shopper needs effectively. Information contained in this report is based on 475 household responses to a food store shopper survey conducted in Corvallis, Oregon, during the summer of 1977.

The study objectives were: 1) to identify priority considerations shoppers have for selecting a food store; 2) to determine factors influential in shopper preference in a given market area for food stores and their relative importance; 3) to identify ways of maintaining or improving food store service in the area; 4) to identify adjustments shoppers make in food buying as a result of inflation; 5) to determine the importance of current food issues; and 6) to identify other food concerns of shoppers in the Corvallis area.

Appreciation is expressed to those Corvallis-area shoppers who were kind enough to return completed questionnaires.

## PROCEDURES

Questionnaires were mailed to 1,800 housholds, randomly selected from the 1977 telephone directory. A total of 475 usable questionnaires were returned representing 26.3 percent of the total number of households sampled. No follow-up letter was sent to those who did not respond to the first mailing.

Those who did the food buying for their household were asked where they shopped, what was important to them when selecting a food store, their age, size of household, household income, food expenditure per week, and suggestions for improvement of food stores. The importance of food-related issues, concerns about food quality and freshness, and adjustments in food buying as a result of high rates of inflation also were surveyed.

Shoppers were asked to rate various attributes of 11 Corvallis food stores. Three of these food stores were chain store operations (Albertsons, Fred Meyer, and Safeway); two were warehouse-type stores (Prairie Market and Waremart); and six were independently owned (Gerdings, Roth's IGA, Richey's [3 locations], and Tanner's Market).

## SHOPPER PROFILES

A profile was developed for the 475 Corvallis shoppers who responded to the mail survey questionnaire (Table 1).

Of those who responded to the survey, 38.1 percent of the household heads occupied professional and technical positions; 16.6 percent were retired; 12.1 percent were managers or administrators; 7.4 percent were transportation and equipment operators; and 6.5 percent were students. The remaining 19.2 percent of household heads were comprised of craftsmen, owners of small businesses, clerical workers, sales persons, farmers, and others.

The average household size of 2.96 was slightly higher than the national average of 2.89. Slightly more than 65 percent of the households had three or fewer members (Table 1).

TABLE 1

PROFILE OF RESPONDENT SHOPPERS, CORVALLIS, SUMMER 1977

| Characteristic | Average | Distribution |
|---|---|---|
| 1. Age of Shopper | c/ | Age of Shopper (years) |
| 2. Household Annual Income | c/ | Annual Income ($) a/ |
| 3. Household Size | 2.96 people | Number in Household |
| 4. Weekly Household Expenditures in Food Stores | $39.39 | Weekly Food Store Expenditures ($) b/ |
| 5. Distance From Home to Primary Store Shopped | 2.45 miles | Distance From Home (Miles) |
| 6. Primary Shopper | c/ | Primary Shopper (Classification) |

Age of Shopper (years)

| Less than 30 | 30-45 | 46-60 | More than 60 |
|---|---|---|---|
| 21.1% | 36.2% | 25.7% | 17.0% |

Annual Income ($) a/

| 0-5,000 | 5,001-10,000 | 10,001-15,000 | 15,001-20,000 | 20,001 or more |
|---|---|---|---|---|
| 10.5% | 15.8% | 16.0% | 24.4% | 32.0% |

Number in Household

| 1 | 2 | 3 | 4 | 5 | 6 | 7 or more |
|---|---|---|---|---|---|---|
| 11.8% | 36.2% | 17.3% | 18.7% | 11.8% | 3.2% | 1.0% |

Weekly Food Store Expenditures ($) b/

| 0-10 | 11-25 | 26-50 | 51-75 | 76-100 | Over 100 |
|---|---|---|---|---|---|
| 3.4% | 24.8% | 49.5% | 14.3% | 2.9% | 1.0% |

Distance From Home (Miles)

| Less than 1 | 1.0-1.9 | 2.0-2.9 | 3.0-3.9 | More than 4 |
|---|---|---|---|---|
| 17.4% | 32.0% | 15.3% | 11.4% | 23.9% |

Primary Shopper (Classification)

| Wife | Husband | Both | Single | Other |
|---|---|---|---|---|
| 56.2% | 4.6% | 21.1% | 13.3% | 4.8% |

a/ Household income was not reported by 1.3 percent of the respondents.

b/ Weekly expenditures in food stores were not reported by 4 percent of the respondents.

c/ The data collected did not permit estimates of these averages.

Approximately 57 percent of the respondents were less than 46 years old with more than one-third ranging in age from 30 to 45 years.

More than one-fourth of the respondents reported annual household incomes under $10,000. More than 40 percent of the households earned between $10,000 and $20,000 annually, and 32 percent earned more than $20,000.

The average weekly expenditure in food stores by respondent households was $39.39. This was less than the national average of $42.03 per week. Table 1 illustrates that more than 75 percent of the respondent shoppers spent $50 or less per week in food stores.

Respondent shoppers traveled an average of 2.45 miles to the store where they shopped most frequently.

Wives reportedly do most of the food shopping (Table 1). However, in 21 percent of the respondent households, both the husband and wife shared food shopping responsibilities.

## SHOPPER EVALUATION OF STORES

Shoppers rated the nine chain and independently owned supermarkets listed in the questionnaire slightly better than "good" overall, based on a four-point scale of excellent, good, fair, and poor (Table 2). The ratings for the two warehouse food stores listed in the questionnaire were not included in the average ratings presented in Table 2 because these operations differ substantially from conventional supermarket operations.

Thirteen attributes out of 14 (93 percent) were rated good or better. The lowest ranking attribute was price, even though it had an above average rating.[1/] Based on this analysis, one could conclude that respondent shoppers generally are satisfied with their supermarkets in Corvallis.

[1/] A rating of 2.5 is average using a four point scale.

TABLE 2

Respondent Ratings of 14 Attributes of
Nine Supermarkets[1/]
Corvallis, Summer 1977

| Attribute | Average Score[2/] | Rank[3/] |
|---|---|---|
| Shelves well stocked | 3.40 | 1 |
| Prices clearly labeled | 3.27 | 2 |
| Employee courtesy and helpfulness | 3.25 | 3 |
| Cleanliness and neatness | 3.25 | 3 |
| Parking facilities | 3.19 | 4 |
| Fresh fruits and vegetables | 3.15 | 5 |
| Checkout service | 3.15 | 5 |
| Ease of shopping in store | 3.11 | 6 |
| Freshness dates on products | 3.11 | 6 |
| Weekly specials | 3.10 | 7 |
| Meat | 3.05 | 8 |
| Convenience of store location | 3.02 | 9 |
| Other merchandise | 2.97 | 10 |
| Prices | 2.66 | 11 |
| Overall rating of 9 stores | 3.11[2/] | |

1/ Average ratings are presented only for chain and independently owned supermarkets which together comprised 9 of the 11 stores rated by Corvallis shoppers. The ratings for the 2 warehouse stores were not included because these types of stores operate substantially differently from the traditional conventional supermarket. Warehouse food stores are those in which the customer prices certain individual items, bags his own groceries, and often finds grocery items displayed in cartons with reserve stock on overhead pipe racks.

2/ A weighted average based on frequency of responses. Stores rated on a scale of:

(A) Excellent = 4 points
(B) Good = 3 points
(C) Fair = 2 points
(D) Poor = 1 point

3/ The rank of each attribute's average score for all 9 stores.

The objective of many warehouse food store operations is to establish a low price image among consumers. The results of this study confirm this practice since the average rating of this attribute (prices) for each of the two warehouse stores in Corvallis was the highest in comparison to each of the other nine supermarkets included in the study.

## WHAT SHOPPERS CONSIDER IMPORTANT WHEN SELECTING A FOOD STORE

Shoppers were asked to indicate considerations most important to them in selecting a food store. When answers to this question were tabulated and grouped into categories, food prices ranked as the single most important consideration among all considerations in terms of the number of times they were named by the respondents (Table 3). When employee attitude and food quality and freshness were added to food prices, they accounted for 46 percent, or slightly less than half, of all considerations deemed most important in selecting a supermarket.

## SUGGESTED IMPROVEMENTS FOR FOOD STORES

Checkout service led the list of respondents' most requested and important improvements for grocery stores (Table 4). When food prices, labeling, selection and variety, store displays, food quality and freshness, and store layout were added to checkout service, they accounted for 90 percent of the suggested improvements.

TABLE 3

Considerations Important to 464 Respondents in Selecting a Food Store:
Ranked by Number of Times Named
Corvallis, Summer 1977

| Considerations | N Number of times mentioned | % of Responses | Cum.% | Terms Respondents Used to Describe |
|---|---|---|---|---|
| Food prices | 254 | 20.5 | 20.5 | Consistent, overall, competitive, reasonable |
| Employee attitude | 162 | 13.1 | 33.6 | Pleasant, courteous, friendly, helpful |
| Food Quality and Freshness | 151 | 12.2 | 45.8 | Good food, fresh, dependable, good quality |
| Store Location | 123 | 9.9 | 57.7 | Convenient, near home, short drive |
| Store cleanliness | 116 | 9.4 | 65.1 | Clean, neat, cleanliness |
| Selection and variety | 108 | 8.7 | 73.8 | Good selection, variety, choice, wide assortment |
| Produce | 102 | 8.2 | 82.0 | Freshness, good quality, appearance |
| Store layout | 93 | 7.5 | 89.5 | Wide aisles, uncrowded aisles, easy to shop |
| Specials | 68 | 5.6 | 95.1 | Bargains, weekly specials, availability |
| Meat | 60 | 4.9 | 100.0 | Freshness, quality, well trimmed, good selection |
| TOTAL | 1237* | 100.0 | | |

* Exceeds 464 due to multiple responses. Eleven respondents did not report any considerations.

TABLE 4

Respondent Suggestions for Improvements of Food Stores
Corvallis, Summer 1977

| | Importance Based on # Times Named/338 Reponses | | | |
|---|---|---|---|---|
| Improvements Wanted | N Number of times mentioned | % of Responses | Cum.% | Terms Respondents Used to Describe |
| Checkout Service | 95 | 19.3 | 19.3 | Faster, more checkouts operating, more baggers, less time in checkout line, express lines with no check writing |
| Food Prices | 63 | 12.8 | 32.1 | Cut costs, buy and sell in bulk, more consistent prices, cut costs on packaging and displays, more sales |
| Labeling | 63 | 12.8 | 44.9 | Unit pricing, prices clearly marked, consistent date marking, simpler more honest pricing system, all ingredients listed, metric measures |
| Selection and Variety | 61 | 12.4 | 57.3 | Specials more available, more locally produced food, more specialty items, ethnic foods |
| Store Displays | 58 | 11.8 | 69.1 | Clearly indexed aisles, shelves well stocked, consistent shelf arrangement |
| Food Quality and Freshness | 51 | 10.4 | 79.5 | Fresh quality food, more wholesome food, follow freshness dates, less junk food, less additives, less damaged food |
| Store Layout | 50 | 10.2 | 89.7 | clear aisles, wider aisles with less clutter, more natural lighting, less energy waste, restrooms |
| Meat and Produce | 30 | 6.1 | 95.8 | Wider selection, less fat on meats, fresher food, remove spoiled food, more honesty in packaging |
| Employee Help and Courtesy | 13 | 2.6 | 98.4 | Pleasant attitude in employees, checkers know prices better, more bagging and carryout help, neat and clean employees |
| Cleanliness | 8 | 1.6 | 100.0 | Orderly store, store that smells clean |
| TOTAL | 492* | 100.0 | | |

* Exceeds 338 due to multiple responses.

Thirty-two respondents also reported no improvements were necessary and that food stores are doing a good job.

TABLE 5

Percentage Distribution of Relative Importance of 12 Food Related Issues
as Rated by Respondent Shoppers
Corvallis, Summer 1977

| Issue | Very Important | Important | Not Important | Did Not Understand | No Response |
|---|---|---|---|---|---|
| Freshness Date Marked on Products | 69.1 | 27.4 | 2.9 | | 0.6 |
| Advertised Specials | 60.8 | 30.9 | 7.8 | | 0.5 |
| Employee Courtesy and Helpfulness | 54.2 | 42.4 | 3.2 | | 0.2 |
| All Ingredients Listed on Package | 46.1 | 41.5 | 11.6 | | 0.8 |
| Nutritional Information on Package | 40.6 | 43.4 | 14.3 | | 1.7 |
| Few Chemical Additives | 39.9 | 38.4 | 18.7 | 1.1 | 3.0 |
| Unit Pricing on Shelves | 36.2 | 44.2 | 15.6 | 2.7 | 1.3 |
| Low-Priced "Store" Brand Items | 29.1 | 40.0 | 30.3 | | 0.6 |
| Open Late Hours | 14.9 | 29.3 | 53.9 | | 1.9 |
| Nationally Advertised Brand Items | 11.2 | 42.3 | 44.6 | | 1.9 |
| In-Store Bakery | 10.1 | 28.8 | 59.4 | | 1.7 |
| Delicatessen Department | 5.7 | 21.9 | 70.1 | | 2.3 |

## IMPORTANCE OF SELECTED FOOD ISSUES

Shoppers were asked to rate how important 12 food-related issues were to them on a scale of very important, important, and not important. Considering only the rating of "very important" in Table 5, the "freshness date marked on products (open dating)" strongly was supported by 69.1 percent of the respondent households. "Advertised specials" and "employee courtesy and helpfulness" also received strong support by more than 50 percent of the households. If the top two ratings (very important and important) are combined, the level of support for the first eight items in Table 5 is indeed substantial.

The level of support indicated for any of the 12 food-related issues does not imply shoppers will switch brands for this choice or change stores because one offers such a choice. The impetus for change is provided by a complex mixture of brand satisfaction, choice or selection, price, package, freshness, quality, convenience, and other factors.

## FOOD BUYING ADJUSTMENTS IN RESPONSE TO INFLATION

Most families deal with inflation by making some adjustments in their purchase and consumption of food. Shoppers were asked to indicate what changes or adjustments they make in buying food during periods of high rates of inflation. Several adjustments were reported and these were classified into five major categories (Table 6). One tactic was to change shopping, buying, home use, planning, and meal habits and patterns. This adjustment accounted for more than one-third of the changes in food buying made in response to inflation. A second kind of adjustment was to cut back on purchasing highly priced or inflated food items and perhaps

TABLE 6

Reported Adjustments Made By Respondent Shoppers
During Periods of High Rates of Inflation
Corvallis, Summer 1977

Importance Based on # Times Named/413 Responses

| MAJOR ADJUSTMENTS<br>Terms Respondents Used to Describe | N<br>Number of Times<br>Mentioned | % of Responses | Cum. % |
|---|---|---|---|
| Change shopping, buying, home use, planning and meal habits and patterns | | | |
| Buy sales and specials | 97 | 14.0 | 14.0 |
| Increase price consciousness | 50 | 7.2 | 21.2 |
| Grow-Hunt-Freeze-Can | 31 | 4.5 | 25.7 |
| Buy in season foods | 25 | 3.6 | 29.3 |
| Buy in bulk | 18 | 2.6 | 31.9 |
| Plan meals | 12 | 1.7 | 33.6 |
| | | 33.6 | |
| Reduce Use of Highly Inflated Foods | | | |
| Cut back generally on highly inflated foods | 124 | 17.9 | 51.5 |
| Cut back on meat consumption | 45 | 6.5 | 58.0 |
| Cut back on coffee and sugar purchases | 22 | 3.2 | 61.2 |
| | | 27.6 | |
| Seek More Nutritional Value Per Dollar Spent on Food | | | |
| Buy less junk food | 79 | 11.4 | 72.6 |
| Buy more nutritious and wholesome food | 39 | 5.6 | 78.2 |
| | | 17.0 | |
| De-emphasize Consumption of Quality Food | | | |
| Buy lower quality food | 80 | 11.5 | 89.7 |
| Buy Store Brands | 11 | 1.6 | 91.3 |
| | | 13.1 | |
| Reduce Amount of Food Consumed | | | |
| Buy less quantity | 46 | 6.6 | 97.9 |
| Make meals stretch | 14 | 2.1 | 100.0 |
| | | 8.7 | |
| TOTAL | 693* | 100.0 | |

* Exceeds 413 due to multiple responses.

Thirty-two respondents reported they did not make changes or adjustments during periods of high inflation.

substitute brands or products. A third group of adjustments reported was to seek more nutritional value per dollar spent on food by buying less "junk food" and substituting more nutritious food. A fourth group of adjustments was concerned with de-emphasizing the consumption of quality or higher priced food items. Finally, the fifth group of adjustments dealt with reducing the overall consumption of food. All of these kinds of adjustments are interrelated and cannot readily be separated.

Four changes, however, stood out among all those reported. Generally, respondents said they cut back purchases of highly priced food items, become more price sensitive by watching for and buying items on sale or during specials, purchase less "junk food" having low nutritional value, and substitute lower priced and perhaps lower quality food for higher priced items.

## ADDITIONAL SHOPPER CONCERNS ABOUT FOOD

Shoppers also were asked to express any additional concerns about food and food store marketing practices. This question was asked after they had rated 12 food-related issues, indicated what was important to them in selecting a food store, responded with suggestions to improve food stores, and had given responses to a question on adjustments made in food buying because of high rates of inflation.

Of those responding to the survey, 57 percent (273 individuals) who responded expressed some concern. Eleven areas of concern were identified (Table 7). Of these, specials, packaging, and freshness represented significant concerns accounting for nearly 50 percent of all responses.

TABLE 7

Additional Concerns or Criticisms Respondent Shoppers Reported About Food
Corvallis, Summer 1977

| | Importance Based on # Times Named/273 Reponses | | | |
|---|---|---|---|---|
| Areas of Concern | N Number of Times Mentioned | % of Responses | Cum.% | Terms Respondents Used to Describe |
| Specials | 44 | 16.0 | 16.0 | Enough "special" items available, specials that really save |
| Packaging | 44 | 16.0 | 32.0 | Less wasteful packaging, nutritional and additive information, all ingredients listed, clearly marked prices |
| Freshness | 42 | 15.3 | 47.3 | Follow freshness dates more carefully, remove spoiled food, more consistent freshness |
| Meat | 28 | 10.2 | 57.5 | Meat packaging often hides fat and bone, fresher products, local products |
| Produce | 22 | 8.1 | 65.6 | More variety, less prepackaging, fresher products, local products |
| Quality | 22 | 8.1 | 73.7 | More nutritional foods, more wholesome food selection, less processed foods, no additives |
| Pricing | 22 | 8.1 | 81.8 | Try to cut costs, more competitive, more unit pricing, more honest prices amd weights |
| Employee attitude | 18 | 6.5 | 88.3 | More helpful, know prices better, neater, smile |
| Store layout | 17 | 6.3 | 94.6 | Less cluttered aisles, make shopping quicker, less crowded |
| Selection and Variety | 10 | 3.6 | 98.2 | Choice not varied enough in size and brands, empty shelves |
| Cleanliness | 5 | 1.8 | 100.0 | Cleaner store, concerned about foreign substances in packaged food |
| TOTAL | 274* | 100.0 | | |

* Exceeds 273 due to multiple responses.

## CONCLUSIONS

The 475 respondent shoppers indicated each of the 11 food stores included in the study had some specific areas requiring improvement and some had areas of strength. Firm support is indicated for improvements to enhance customer satisfaction. However, because of the divergence of priorities among individual respondent shoppers, any one store would find it difficult to satisfy all individual priorities.

Action related to many of the concerns expressed by respondent shoppers will require change at different levels of the marketing system. For example, offering "enough" special items and improving checkout service are issues to be dealt with at the store level. Changes in labeling and packaging practices most likely will need to take place at the point of manufacture or processing. In addition, concerns such as increasing the variety and nutritional value of foods may require a complex blend of modifications throughout the entire marketing system.

Finally, each food store included in this study should compare and evaluate its own merchandising strategy and service level relative to the improvements suggested by the respondent shoppers. Also, attention should be given to the importance the respondent shoppers attached to selected food-related issues and to the additional concerns they expressed about food and food store marketing practices. By making these comparisons, each food store should be able to assess its own strengths and weaknesses and consequently identify opportunities for providing improved customer service. Moreover, the results of this study should provide each food store with a basis for identifying key service levels to be monitored to serve customer needs effectively.