



AMERICA'S FAVORITE

# ALPENA IGA

## Growing Against All Odds

It's not easy for a full-size supermarket to continually grow in a small town. It's even more difficult when that small town's population is declining rather than increasing. With the right combination of

creative marketing, service-oriented employees and quality products, it can be done.

Hal and Jean Neiman, part-owners of Alpena IGA, know this kind of growth is possible because together,

with their employees, they have made it happen.

Alpena IGA, located near Lake Huron in the northeastern part of Michigan, has managed to triple its sales volume in the last 10 years despite the

area's decreasing population. With a population of only 12,000 people, the town of Alpena doesn't offer an obvious setting for rapid expansion.

Although the Neimans feel a combination of factors



Detroit Tiger Mike Henneman signs autographs at a special promotion sponsored by Alpena IGA in Michigan.



contributes to the store's success, they pinpoint their genuine concern for customers and providing them what they want as the primary attribute.

"We try to bring big town America to small town America, while maintaining the great things about the small town," Hal Neiman says.

The store offers the advantages of a big city supermarket with its wide variety of quality products and competitive prices, while at the same time offering the fast, friendly, personal service found in small town markets.

The situation wasn't always this positive for Alpena IGA. Previously under the Kroger banner, the store was purchased by Neiman and four additional investors in 1983. During the first six months, the store lost a quarter of a million dollars. The investors continued to support Neiman despite the loss.

Under the direction of an excellent management team, the losses eventually turned into profits. The store was expanded from 28,000 to 44,000 square feet in 1990. It's presently undergoing an additional expansion of 3,000 square feet. Employee numbers have increased from 46 to 158

The **Alpena IGA staff** sets high standards for products they offer consumers. In July 1992, the store became licensed to promote Certified Angus Beef™ products. The management is so confident in its quality and consistency, it is the only fresh beef product offered.

"We know we have the best beef available," says Bob Skuse, meat department manager. "Since we started on the program, we have received nothing but good comments."

Skuse and his meat department staff, including seven full-time and three part-time employees, don't sit back and let the product sell itself. Outstanding service is also provided.

"Every beef cut is made available to the customer and is always in the case," says Skuse. This includes a variety of cuts such as Delmonico steaks, Denver steaks, chuck eyes, tenderloins and London Broils.

In addition to service, creative store promotions keep sales volume up and excitement brewing at the Alpena IGA. Skuse writes his own advertisements for the Alpena News and features one to three items weekly. Popular promotional events include free elephant rides, a traveling zoo in the store parking lot and a personal appearance by Detroit Tiger's relief pitcher, Mike Henneman.

**Strong Certified Angus Beef** product promotion helps to build the meat department's image. In addition to a permanent sign illustrating the Certified Angus Beef trademark outside the store, point-of-sale material decorates the meat case and provides recipe ideas.

Last October, the store held a one-day "truckload" Certified Angus Beef product sale which resulted in record sales for the meat department and entire store. Certified Angus Beef chuck roasts and ground chuck were sold close to Alpena IGA's cost. During that one day, 300 Certified Angus Beef chucks were sold, and 200 more had to be back ordered.

"We held this event to generate excitement and thank the community for its support," Neiman says.

**Beyond in-store marketing**, the Alpena IGA is actively involved in local community programs. Support is given to area organizations, such as the Lions Club, Boy Scouts and local school.

"We try to tie into local activities by supplying employees with t-shirts to promote an event, running ads and much more," explains Neiman.

Creative promotions and high quality products aren't effective without service-oriented employees. "You have to have the right people to be successful," says Neiman. "We would match our staff against any in the nation."

**The employee selection** process is discriminating; many employees come to Alpena IGA on a referral program. If an employee refers someone who becomes a permanent staff member he/she receives a \$50 bonus. The store also implements an extensive training program, where customer service is emphasized.

Alpena IGA has proven that size and location doesn't limit success. An aggressive, enthusiastic attitude is the key.

"We are constantly looking for ways to give our customers what they want and need," Neiman says.

Creative marketing, coupled with high quality products and committed employees, produces growth — even against all odds.

— *Kathy Marrin, CAB Program promotional resource manager*



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*Hal Neiman*