



SENDIK'S FOOD MARKET EARNS 2023 INNOVATIVE INDEPENDENT RETAILER AWARD

Old School Meets New School: Studying Sendik's A+ Formula

BY MIRA SLOTT

Studying Sendik's Food Market is an industry masterclass of Old School meets New School in the Ivy League of increasing produce consumption — definitely lessons you won't learn in college.

The syllabus earned the retailer the 2023 PRODUCE BUSINESS Innovative Independent Retailer Award.

"We don't forget where we came from. Produce is always at the forefront; it's who we are," says Brian Penfield, produce director at family-owned Sendik's Food Market, a Milwaukee, WI-based, 18-store chain, where tradition and modernity collide in the best of both worlds.

"We started with a fruit cart in the streets of Milwaukee in 1926. Our owners [the Balistreri family], are third generation, almost fourth generation, invested in what we do every day to continue our legacy."

That legacy enamors stalwart consumer allegiance, which is orchestrated to withstand an aggressive competitive landscape, and plays to its unique strengths. "Kroger

probably has the largest volume of stores in the area, followed by Meijer out of Michigan, and then, of course, there are the Walmarts of the world," says Penfield, who has been with the company for nine years. "There are some things that we have embraced because, frankly, our competition just doesn't take that kind of time with them."

OLD SCHOOL: PRODUCE DISPLAYED ON ICE

True to its identity, Sendik's displays carefully hand-trimmed vegetables, glistening on beds of ice, and dedicated produce associates freshly re-ice the display throughout the day to keep it at temperature and maximize product quality the old-fashioned way.

"It's a really nice presentation, but at the end of the day, it's about the quality of product. It just holds up better that way," says Penfield. "It's no different than when product comes in off our trucks. Lots of times it's iced because that's the best way to ship it, it's the best way to hold it, it just looks good, and gives great quality to our consumers."



Brian Penfield, Sendik's produce director

NEW SCHOOL: PRODUCE GROWING VERTICALLY

Juxtaposing those old school ways, the newest Sendik's supermarket features an almost 10-foot tall, four-layer hydroponic vertical farm garden in the produce department. It's sprouting red and green leafy lettuces in cyclical harvests, enough to fill



Sendik's Food Market prepares fresh-cut produce in-house every day, covering the gamut of fresh fruits and vegetables.

the salad bar year-round, according to Joseph Wood, chief marketing officer at Sendik's.

Sendik's partnered with local grower Ernessi Farms, an indoor vertical farm in Ripon, WI, that grows herbs for the chain, to bring the prototype concept to fruition. "I call the lettuces my little children, because they grow so fast. Once we put in seedlings, we're harvesting in four weeks, and it's a great conversation piece," says Penfield. "We opened this brand-new, beautiful, 60,000 square foot store in Oconomowoc, WI, and everyone gravitated to the vertical farm garden in the produce department."

"Controlled environment agriculture is part of our future. It's something on the horizon getting more and more traction," says Penfield. "We can tell a more vivid story of how we can

still get fresh lettuce in Wisconsin, even in the middle of winter." This includes a salad line through Superior Fresh, a leading aquaponics grower, located in Hixton, WI.

KNOWLEDGE IS POWER

Essential to Sendik's success is its "great, core produce team," Penfield says. "We make sure we're educating them, especially as we do unique items or face supply chain issues. Typically, we'll have a conference call every week with our store leaders and lay out the plan to introduce a new product, etc., and they'll share the info with their team throughout the week."

For instance, this past fall was challenging on the fresh veg side, specifically with lettuces and the suppliers' impact. "We talked to our team about it, shared pictures, and conver-

sations from our stores on what they were seeing. So, when the guests come in and are questioning, 'why is this expensive' or 'why can't I get this,' we make sure we have great open lines of communication, so our guests become more knowledgeable of the situation."

"There might be a problem, but if you explain it, then they view things in a different way. Our guests trust us through the problem. They say, 'now, I understand,' and that makes me feel better."

PRODUCE ASSOCIATES GET A CONSUMER FOLLOWING

The high level of consumer engagement at Sendik's has generated a consumer fan base. "Many of the company's advertising campaigns center on the produce depart-



Sendik's educates its produce associates with current information and works hard to communicate with shoppers. "There might be a problem, but if you explain it, then they view things in a different way. Our guests trust us through the problem. They say, 'now, I understand,'" says Produce Director Brian Penfield.



Sendik's annual Hatch Chile Pepper Roasting event has turned into a storewide merchandising and marketing phenomenon, going from a four-pallet test with one roaster, to selling truckloads of Hatch chile peppers.

ment. And because the produce associates are so well-thought-of in their communities, they often are featured in Sendik's advertising campaigns," says Wood.

"We'll highlight one of our merchandisers or produce managers, such as Javier Contreras, at the Sendik's in Franklin, WI, who received an IFPA 2022 retail produce manager award," notes Penfield.

"Our guests will ask for our associates by name. They'll ask 'what fruit should I buy?' or 'what's the best fruit now,' because they trust what he suggests, or he'll show them, 'here's how you pick out a good peach,' and it might not necessarily be the prettiest one. And that happens across our stores," Penfield continues.

It's about product value and having the right quality attributes. "I'm not going to buy the cheapest product. I'm going to buy the best that I possibly can because that's what our guests have built trust with us to do," says Penfield. "I think quality and price go hand in hand."

At the core, "we must execute the basics every day, and maintain that trust that we've built over 90 plus years."

Buying local whenever possible, Sendik's has nurtured longstanding relationships with local farmers. Direct deliveries arrive daily with product picked in the field that morning,

loaded off the trucks and then meticulously stacked by hand. "We look to our old-school ways of taking care of our fruits and vegetables. Everything is hand-stacked," says Penfield, which is no small task considering Sendik's carries hundreds of varieties of fruits and vegetables.

Sendik's prepares fresh-cut fruit in-house every day, covering the gamut, and there's an

almost cult-like following for Sendik's signature guacamole and pico, made fresh in-store daily.

'PRODUCE SHOULDN'T BE BORING'

Sendik's annual Hatch Chile Pepper Roasting event has turned into a chainwide merchandising and marketing phenomenon, going from a four-pallet test with one roaster,



There's an almost cult-like following for Sendik's signature guacamole and pico, made fresh in-store daily.

J.R. Kelly Company
THE HORSERADISH HOUSE



CALL US FOR GREENTOPSI

IT'S HORSERADISH SEASON!

PASSOVER BEGINS APRIL 5TH

EASTER SUNDAY IS APRIL 9TH

NATURAL, WASHED & SHRINK-WRAP OPTIONS AVAILABLE



J.R. KELLY CO.
The Horseradish House

primus GFS

888.344.4392
 - www.jrkelly.com -



Sendik's used social media to promote pre-orders for local blueberries, which sell out fast. By knowing customers' demand, they cornered their blueberry market and sold 5,000 10-pound cases of blueberries.

to selling truckloads of Chile peppers. "It got started when we saw some events down in Hatch, NM, during the Annual Hatch Chile Festival," says Penfield. "We built it over the last five years and now it's to the point where we do it at every store and have multiple roasters."

The chain also throws a big citrus celebration that goes beyond the basic items like navels and clementines. "We'll get bergamot lemons, mandarinquats (a combination between a mandarin and kumquat), and we look for things to create a fun environment,"

says Penfield. "We work with one of our wholesalers to have lychee, rambutan, lava available every day, something that gives us a clear differentiation within the market."

"Driscoll's is one of the only real consumer-facing produce branding we have out there because, at the end of the day, it consistently has the best berries," says Penfield. The company also works with other major players, including D'Arrigo in California where it sources some leafy greens.

"We try to stay local, but also try to work with the right players in the right places."



Many of Sendik's advertising campaigns center on the produce department, and produce associates are often featured in Sendik's advertising campaigns, such as Javier Contreras, at the Sendik's in Franklin, WI, who received an International Fresh Produce Association (IFPA) 2022 retail produce manager award. "Our guests will ask for our associates by name," notes Produce Director Brian Penfield.

For instance, all the potatoes are sourced in Wisconsin, if possible. The Anthony Marano Co. in Chicago is its primary wholesaler, which “helps us with some of those unique items where it doesn’t make sense for me to load full pallets of items, specifically like specialty vegetables and fruits.”

Sendik’s caters to a higher end consumer, but that base has expanded. “We typically will see a bigger list during the holiday season, but it’s about building trust with our consumers, especially since COVID,” says Penfield.

“We didn’t have some of the same supply gaps that our competition did,” he contends, “and that helped us build trust with the consumers because they knew that Sendik’s would have the product, and the product would be the high quality they expected.”

Penfield says suppliers helped fulfill orders because of the relationships that had been established. “It’s not about just buying fruit or vegetables, it’s about having a relationship and

knowing that the individuals that are growing the product versus just saying, ‘I’m a number, I need 20 cases.’ So, when these opportunities come up, it’s easy to pick a phone up and say, ‘hey Dennis, I need this’ or ‘Steve, I need to increase my next order.’ It helps us navigate those gaps that others couldn’t navigate as quickly.”

CROSS-MERCHANDISING EXTRA CREDIT

For larger chains, cross-merchandising in different departments becomes challenging logistically, because each department values its

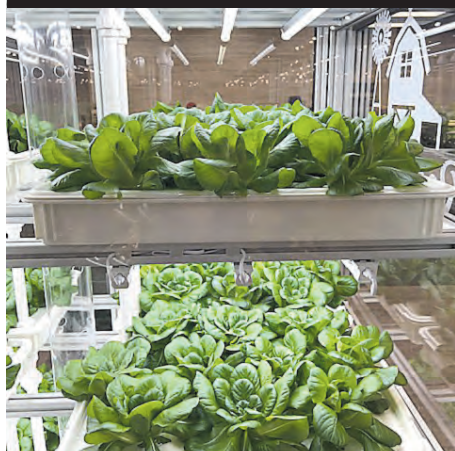
space or operates more in silos. As an independent chain, Sendik’s finds a more flexible path.

“Any time we have some great produce items, we try to extend selling space beyond the produce department,” says Penfield. “For instance, with strawberries in the summer, we’ll cross-merchandise with almost every department, whether it be angel food cake or Reddi Wip, just to build some sales.”

The meat department, for example, merchandises mushrooms. “We believe if the meat department is successful, I’ll be successful; if I am successful, the meat department will be successful in the cross-merchan-



The newest Sendik’s supermarket features an almost 10-foot tall, four-layer hydroponic vertical farm garden in the produce department. Sendik’s partnered with local grower Ernessi Farms, an indoor vertical farm in Ripon, WI, that grows herbs for the chain, to bring the prototype concept to life. The garden’s lettuces are harvested and used in the store’s salad bar.



✦ Chefs' Choice ✦ Foodies' Favorite ✦ Intense, Fresh Flavor

NEW RECIPE VIDEOS!

QR CODE

BrightFresh
MICROGREENS
Micro Cilantro

NUTRITIOUS • DELICIOUS • HEALTHY

BrightFresh
MICROGREENS
NUTRITIOUS • DELICIOUS • HEALTHY

f t i @ BRIGHTFRESH.COM

KETO FRIENDLY | SUSTAINABLY GROWN | GLUTEN FREE | ALLERGEN FREE



Sendik's currently has 18 stores — 14 are conventional, and four that are Fresh2Go, smaller profile formats.

dising. Because they help create some energy around the items, and it makes it a one-stop shop.”

AGILITY TO EXPERIMENT PAYS DIVIDENDS

“Because we’re small, we can be very nimble to work with suppliers to test new varieties and we can give feedback accordingly. So, this past fall, we worked with D’Arrigo out of California, specifically with baby broccoli and baby cauliflower,” Penfield says. “We tried

it within our merchandising plans, and then made a point to educate our team, so they could educate the guests. And just based off that this fall, we had an incredible season on both those items to the point where they are now a staple for us, consistently day in and day out.

“We like to try new things, but I’ll be honest, we’ve done that in the past, and have had failures, because either our guests didn’t want it, or we may not have done it the correct way — but you don’t know until you try.”

PRE-ORDER VIA SOCIAL MEDIA

In Old School/New School form, Sendik’s uses social media to create buzz and drive traffic, but also as a catalyst to maneuver some clever promotional marketing. A blowout local blueberry promotion event was powered by a pre-order social media alert to pre-empt and snatch the supply in a tight market.

“We did a preorder because the supply gets very tight very quickly, so that’s where us being nimble pays off,” says Penfield. “We sold 5,000, 10-pound cases of blueberries, which was mind-boggling,” says Penfield. “They were picked in Michigan, and we got them the next day, and they were gone the next day.”

Sendik’s currently has 18 stores — 14 are conventional, and four that are Fresh2Go, smaller profile formats. The one on the Marquette University campus is a unique, 4,000 square foot store, with 16 linear feet of produce, says Penfield.

“It’s incredible the offerings we sell in that space to the college students. They get everything from fresh-cut fruit to Brussels sprouts, and it is shocking how many Brussels sprouts that campus will go through. Before, they just had a 7-Eleven or something like that nearby, so now they can get the fresh eating experience of Brussels sprouts, or peaches or nectarines throughout the summer.”

The other three Fresh2Go locations have gas stations, so they’re almost like convenience store settings. The stores offer the core items, but also still have fresh Romaine and other lettuces — on ice just like the other stores, steadfast to its legacy.

Before Penfield came to Sendik’s, he knew the Sendik’s name from his grandmother. “That’s where the family went because whatever grandma wanted, Sendik’s was always the best,” says Penfield. “It was just the right fit for me. Sendik’s was the place that hit home.” A loyal customer base feels the same. **pb**

FIERMAN
PRODUCE EXCHANGE INC

“February is merely as long as is needed to pass the time until March.”

718-893-1640
Fax: 718-328-3738

247 - 248, 250 - 257, 271
Hunts Point Market • Bronx, NY 10474

XXXX
★★★★

NEW YORK PRODUCE TRADE ASSOCIATION, INC.

HUNTS POINT PRODUCE MARKET
Where the Farmers of NY Market