# Sell Healthy! Guide

Learn how to sell healthy foods, increase sales and attract more customers.

brought to you by:



THE PHILADELPHIA HEALTHY **CORNER STORE NETWORK** 

The Philadelphia Healthy Corner Store Network is made possible by funding from the Pennsylvania Department of Community and Economic Development, Centers for Disease Control and Prevention, and Get Healthy Philly, an initiative of the Philadelphia Department of Public Health.

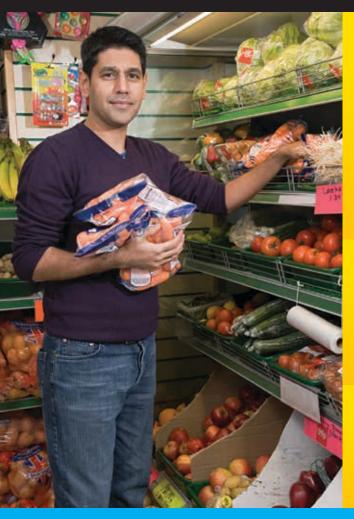


foodfitphilly.org/cstores



### Why Sell Healthy Food?

Stocking more healthy foods could mean better business for you.



#### **Business Benefits**

- New products and more variety attract new customers.
- Offering products that other stores do not helps your business stand out.
- Healthy foods can yield high profit margins.

Example: 4 bags of chips = 20¢ profit

1 apple = 20¢ profit







One Philadelphia store introduced new healthy items and now sells

60-80 pounds of

bananas a

week.





#### **Healthier Communities**

- People who live where healthy foods are easy to find are more likely to have lower risk of disease.
- Many children shop at corner stores and need healthy food options to ensure they grow up strong and healthy.

#### **Growing Movement**

• Join a growing number of business owners across the country who are committed to providing their customers with fresh healthy foods AND making a profit.

This guide offers ideas that can improve your business. Some ideas may take more time and resources than others.

Look for the following symbols to guide you.



Quick project



Go to this page for more information



Longer project

Go to next page

### This guide will help you with:

Healthy product selection Pricing and display Promotion and marketing Equipment and refrigeration

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# Choosing Healthy Products for Your Store

## Introduce healthy food options <u>like these</u> in your store.

#### **Stock Mostly Stock Minimally Stock Moderately** Fruits & Vegetables • Fresh fruits and • Canned or frozen • Canned or frozen vegetables fruits in 100% juice fruit in heavy syrup, or light syrup, and and vegetables with 4 5 6 more than 290mg vegetables with of sodium less than 290mg of sodium **Dairy** • Whole milk foods • Non-fat, skim or • High-fat milk foods 1% low-fat milk such as milk, such as cream, foods such as milk, yogurt, cheese butter, ice cream yogurt and cheese and flavored milk and cream cheese **Grains** Whole grains are Whole grains are Whole grains are listed as the first not listed as the not listed as an ingredient first ingredient ingredient OATS Brown Rice Meat, Fish & Poultry • Processed meats • Lean cuts of beef • Dark meat such as and pork and steak, ground beef such as bacon, and chicken or low-fat products deli meat, ham such as fish, poultry turkey with skin and sausage and eggs



# Choosing Healthy Products for Your Store

#### **Stock Mostly Stock Minimally Stock Moderately** Beans, Nuts & Seeds • No sodium added • Low-sodium High-sodium dry beans, canned (less than 290mg) (more than 290mg) fish, nuts, seeds canned beans, canned beans, canned fish, nuts, canned fish, nuts, seeds seeds **Snacks** • Fruits, vegetables • Fruits, vegetables • Fruits, vegetables and snacks with less and snacks with and snacks with than 100 calories 100-200 calories over 200 calories per package 🔝 per package per package such as chips, candy or cakes **Beverages** • No sugar added • 100% juice, diet • Soda, fruit drinks, water, fat-free or drinks, low-fat sweetened iced tea, flavored milk 1% low-fat milk lemonade Forgot a symbol? Find the legend at the beginning of this guide.



**Healthy Tip:** Try adding some of these products to your inventory, or switch less healthy options for healthier ones. For example, substitute peaches in heavy syrup with peaches in 100% juice.

# Buying and Handling Fresh Produce

## Produce will keep fresh longer with careful purchasing and handling.

#### **Purchase**

- Make a list of fruits and vegetables for your store.
- Start with small amounts of new foods to learn which sell best.
- Change your selection when seasons and prices change.
- Offer smaller pieces of fruit and vegetables for children.

Many produce items, such as apples, avocados and oranges, are sold by size or count (the number of pieces in a box).
 Example: 100 count apples = 100 apples in a box = smaller apples 50 count apples = 50 apples in a box = bigger apples
 Higher counts mean the fruit is smaller because more fit in the box.

seasonal fruits and vegetables whenever possible.

Check

Buy local,

for signs
of spoiling and
remove items
that have
gone bad.

#### Inspect

- Examine produce, if possible, before buying. Look for bruises, dents or spoiled spots. Tell the vendor if you find these.
- Do not buy a fruit or vegetable if the core has black spots or the stem is soft.
- Look for mold on citrus and tropical fruit. If you see white on the skin, do not buy them.
- Fruits and vegetables should smell fresh. Produce that smells bad will not taste good.

### Display 4 5

- First in, first out—display older produce in the front.
- Rotate your produce to maintain freshness.
- When unpacking produce, remove spoiled items.



Produce stocked first must be sold first!

### Produce Display

## Attractive displays will increase sales and help reduce food waste.

Place produce, like bananas, at register to sell faster.

Keep produce fresh and baskets full.

Push produce to the front of the baskets and pile it high.



Display prices for customers. This can help increase sales.

Items that do not last long should be just below eye-level to sell fast.

Items that last longer, like potatoes and onions, should go at the bottom.

#### Remember...

Keep produce organized and well-stocked.

Label items and show prices.

Use baskets to organize and protect produce.

Tilt baskets forward to make them look more full. Remove spoiled items daily.

Catch customers' attention with different color foods in a row.

Never sell produce out of cardboard boxes.

Use good lighting to attract customers.

# Refrigerator Display

Bring attention to healthy snacks, beverages and fresh produce with an attractive refrigerator display.



Wate

100% juice

Non-fat, skim or 1% milk

Low-fat string cheese

Eggs

Greens (spinach, lettuce and collard greens)

Low-fat yogurt

Fruit salads and garden salads

Apples and oranges





Place healthy beverages, fruit salads and yogurts on top shelves.

> Place fresh produce on middle shelves.

Clearly mark fresh produce and sale items with bright price cards.

Place heavy items on the bottom shelf.

### Fresh Produce Temperature Guide

## Use these temperature guidelines to reduce produce spoilage.

Do Not



Refrigerate	Temp.	Shelf Life
Fruits		
Apples	32–35°	2–3 weeks
Blueberries	33–35°	1–2 weeks
Cantaloupe	40–50°	5–10 days
Cherries	32–35°	5–7 days
Grapes	32–35°	5–7 days
Honeydew	40°	5–7 days
Kiwi	32–35°	7 days
Lemons	40-50°	2–3 weeks
Limes	40-45°	2–3 weeks
Oranges	32–34°	2–3 weeks
Pears	32–35°	1 week
Raspberries	32–35°	1 week
Strawberries	32°	1 week
Vegetables		
Asparagus	32–35°	1 week
Beans (Snap)	32–35°	5–7 days
Broccoli	32–35°	5–7 days
Cabbage	32–35°	1 week
Carrots	32–35°	2–3 weeks
Cauliflower	32–35°	1 week
Collard Greens	32–35°	5 days
Cucumber	36-40°	1 week
Eggplant	32–35°	1 week
Lettuce	32–35°	1 week
Peppers	36-40°	1–2 weeks
Spinach	32–35°	5 days
Summer Squash	36-40°	5–7 days



DO NOT			
Temp.	Shelf Life		
60–65°	5–7 days		
58–60°	1–2 weeks		
55°	1 week		
65–70°	5–7 days		
60–70°	5–7 days		
65–70°	5–7 days		
32–65°	30–60 days		
55–60°	30-60 days		
55–60°	30-60 days		
55–60°	10 days		
55–60°	5–7 days		
55–60°	7–10 days		
55–60°	30–60 days		
55–60°	5–7 days		
	60–65° 58–60° 55° 65–70° 60–70° 65–60° 55–60° 55–60° 55–60° 55–60° 55–60°		

#### Tip

Some items, like apples, pears, oranges and peppers, can be displayed at room temperature. This will shorten their shelf life. If you display these items at room temperature during the day, be sure to refrigerate them at night.

# Ethylene in Fruits and Vegetables

## Correctly store fruits and vegetables to reduce food waste.

#### What is ethylene?

Ethylene is a gas released by some fruits and vegetables that causes produce to ripen faster. Some fruits and vegetables are more sensitive to ethylene than others.

#### Why should I care?

Fruits and vegetables that are stored incorrectly spoil quickly. This could mean lost profit for you.

Do not
display fruits
and vegetables
that are sensitive to
ethylene near fruits
and vegetables
that produce
it.

### What can I do?

- Do not store fruits
   and vegetables that
   produce ethylene with those
   that are sensitive to ethylene.
   For example, do not store bananas
   and apples next to each other. This
   applies to produce that is refrigerated
   and not refrigerated.
- Do not store produce in bags or sealed containers. This will trap the gas and cause the produce to ripen faster.

### **Ethylene Sensitive**

**Apples** Asparagus **Avocados Bananas** Broccoli Cantaloupe Collard Greens Cucumber Eggplant Grapes Honeydew Kiwi Lemons Lettuce Limes Mangos Onions **Peaches** Pears **Peppers** Squash **Sweet Potatoes** Watermelon

### **Ethylene Producers**

Apples
Avocados
Bananas
Cantaloupe
Kiwi
Peaches
Pears
Peppers
Tomatoes

#### Not Ethylene Sensitive

Beans (Snap)
Blueberries
Cherries
Garlic
Grapefruit
Oranges
Pineapple
Potatoes
Raspberries
Strawberries
Tomatoes
Yucca

# Value-Added Product Ideas

## Increase your profits by turning produce into ready-to-eat foods.

#### **Snack Packs**

#### Quick, healthy snack foods

- Cut fruit in containers: grapes, mango, apples, watermelon, cantaloupe
- Mixed fruit salads
- Cut vegetables and dip in containers: celery with peanut butter, carrots with hummus, or bell peppers with low-fat ranch dip

Keep
apples from
turning brown
by brushing
lemon juice
on them.

#### Ronus

- Snack packs offer children a healthier choice than chips.
- Pre-made fruit and vegetable containers can be sold at a higher price than whole produce.



#### Meal Starter Kits

Fresh vegetable mixes for convenience Simply cut up and package vegetables as kits.

Winter Vegetable Soup Kit: Squash, potatoes, sweet potato, onions and turnips

Gazpacho (cold soup) Kit: Cucumber, tomatoes, garlic, onions and red bell peppers

#### Soup Kit:

Potatoes, carrots, celery and onions

#### Stir-fry Kit:

Broccoli, carrots, red bell peppers, zucchini and mushrooms

Grilling Vegetables Kit: Zucchini, bell peppers, onions, eggplant and potatoes

Ready-To-Eat Guacamole Kit: Avocados, jalapeños, onion, garlic and tomatoes

#### Bonus!

- Meal Starter Kits can be sold at a higher price than selling the products whole.
- Meal Starter Kits can reduce your food waste.

All produce
must be washed
prior to cutting.
Refrigerate prepared
items and clearly
label containers
with the name
and date.



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### Value-Added Product Ideas

#### **Smoothies**

#### Blend frozen fruit into a healthy, tasty drink

- Freeze overripe produce, such as bananas, for future use in smoothies.
- Cut your own fruit instead of buying it precut to save money.

The price for a 12-ounce smoothie is typically \$3-\$5.

#### Bonus!

- Customers love smoothies as an easy, healthy snack option.
- Smoothies are also a great way to use produce before it goes bad.

### How To Make a Great Smoothie

Just add one item from each column and blend!

Base	Liquid	Fruit	Extras	
Banana	Low-Fat Milk	Mango	Flaxseeds	
Low-Fat Yogurt	Orange Juice	Pineapple	Peanut Butter	
lce	Soy Milk	Strawberries	Protein Powder	
Frozen 100% Juice	Almond Milk	Blueberries	Honey	

Try these flavor combinations or create your own.





# Fresh Produce Pricing and Markup

## Learn how to set the right price to make a profit.

#### **Ways to Determine Sale Price**

#### Steps

- 1. Start with COGS.
- 2. Decide your Markup.
- 3. Use **Profit Margin** to determine **Sale Price**.

COGS x Markup

\$25.00 x 30%

\$25.00 + \$7.50

= Profit Margin

= \$7.50

COGS + Profit Margin

= Sale Price

= \$32.50

Your cost of goods was \$25 and you applied a 30% markup, giving you a sale price of \$32.50 and a profit margin of \$7.50 for a box of oranges.



#### **Steps**

- 1. Start with **COGS**.
- 2. Decide your Markup.
- 3. Use Markup Multiplier to determine Sale Price.

COGS x Markup Multiplier = Sale Price \$0.39 x 2 = \$0.78

Your cost of goods was \$0.39 and you applied a 100% markup, giving you a sale price of \$0.78 and a profit margin of \$0.25 for an orange.

#### **Definitions**

**COGS** (Cost of Goods Sold)

What you paid for a product

#### Markup

How much more than the COGS you want to charge the customer

#### **Markup Multiplier**

The number 1 added to the Markup percentage

#### **Profit Margin**

The difference between the Sale Price and the COGS

#### Sale Price

What the consumer pays for a product

## Produce Double-up Rule

Mark up produce 100%, or just double the COGS.



# Fresh Produce Pricing and Markup



#### **Pricing Produce**

Use This Formula If You Want to Sell by the Unit

1 case = 88 apples (units) = \$22

COGS ÷ Units = Cost per Unit \$22 ÷ 88 = **\$0.25 per apple** 

Cost per Unit x Markup Multiplier = Sale Price per Unit \$0.25 x 1.30 = **\$0.33 per apple**  Use This Formula If You Want to Sell by the Pound

40lb case of bananas = \$15

COGS  $\div$  Weight = Cost per Pound \$15  $\div$  40 = **\$0.375 per pound** 

Cost per Pound x Markup Multiplier = Sale Price per Pound \$0.375 x 1.30 = **\$0.49 per pound** 

#### Break-Even Point

The point at which COGS is equal to sales or no profit is lost or gained.

#### **Use This Formula to Determine the Break-Even Point**

COGS (case of apples)  $\div$  Sale Price per Unit = Break-Even Point  $$22 \div $0.33 = 67$  apples

COGS (40lb case of bananas)  $\div$  Sale Price per Pound = Break-Even Point  $\$15 \div \$0.49 =$ **31 pounds** 

This formula can help to guide future purchasing decisions about quantities and types of produce to sell.

# Pricing and Promotions

## Use in-store promotions to increase store traffic and sales.

Idea	Examples
Temporary Price Reductions Reduce the price of a popular product to increase sales.	<ul> <li>Bags of fresh-cut produce for \$1 Children love these.</li> <li>Children eat free Offer a discount on the total bill by offering a free children's meal with each regular meal purchased.</li> </ul>
	<ul> <li>Buy 1, get 1 free         Great for healthy products.         Reward Customers         for buying healthy food</li> </ul>
© Seasonal Specials and Kits Use holiday themes and flavors to increase sales.	<ul> <li>BBQ kits in the summer</li> <li>Healthy kits with foods grouped for healthy recipes</li> <li>Holiday meal starter kits with healthy products</li> </ul>
Let customers and clients come into your store to taste, touch, smell and see your products.	Host parties in different seasons or near holidays like Thanksgiving. Do this during peak hours and days so more customers will attend.  • Free samples of healthy foods  • Cooking demonstrations  • Deli promotions
Student and Senior Discounts Offer special savings to seniors and students.	<ul> <li>Discount with student ID</li> <li>Discount for an "A" report card</li> <li>Discount for students that make honor roll</li> <li>Special discount days: Student Day, Senior Day</li> </ul>
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# Advertising Your Business

## Use simple marketing ideas to make customers feel welcome.

### (L) Outside Your Store

Attract customers' attention as they pass by your store.

- Put A-frame signs on the sidewalk.
- Put cold-air balloons on the roof.
- Install banners, neon signs or murals.

#### (L) Inside Your Store

Get new customers, keep the old ones.

- Ask customers for feedback to learn what customers like.
- Invite customers back to your store.
- Give out flyers and coupons.
- Give out calendars with monthly specials.
- Cater your food.
- Create a contact list for customers to sign up to hear about specials.

#### Offer product samples.

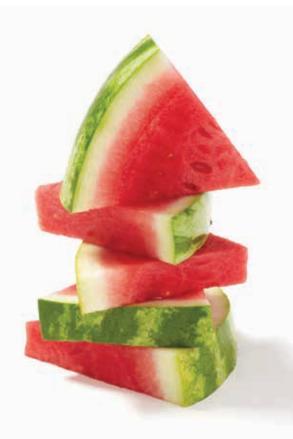
- Give customers samples to try before buying the food, especially during peak hours.
- Hand out menus to advertise your products and attach coupons to encourage customers to try new things.

### Create specials.

- Promote healthier products in your store with specials to increase sales.
- Offer breakfast specials until 11am (for example, Buy any breakfast item, and get a free small 100% juice or piece of fruit).
- Offer lunch specials from 11am until 3pm (for example, Get a sandwich, piece of fruit and water or 100% juice for \$5.50).







### Customer **Feedback**

### Learning what your customers want will help you make good business choices.

#### Talk to Customers

- Talk to customers who are shopping in your store. Customers usually enjoy conversations with store owners. Conversations make them feel like their opinion matters.
- Ask the customer, "What items would you like in this store?"
- Ask the customer, "What can we do to better serve you?"
- Inform the customer of current sales or specials.
- Say "Thank you!"

#### Keep Track of the Information

- Keep a log book of customer requests.
- Create a chart or board of specific products that you are thinking about adding to your store. Ask customers to mark which items they are interested in.
- Create comment cards that ask for feedback from customers.

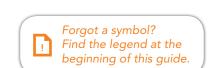
#### **Use Feedback to Make Business Decisions**

- Use customer feedback to decide what to buy for your store.
- When you place orders, buy new items that customers have requested and see if they sell in your store.
- Create sales and specials for your store based on customer interest. 12 13









# Maximizing Your Space

# Maximize your space to improve product display and attract more customers.

#### Appearance

- Keep your store neat, clean and organized.
- Keep aisles clear and maintain a clear path for people to enter your store.
- Clearly display prices and sales. Keep signage simple and easily visible.
- Clean dust and remove expired food.



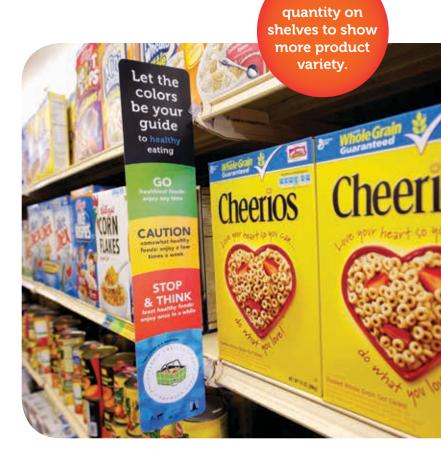
#### ( Display and Variety

- Give customers variety by introducing new brands.
- Do not put more than 2 rows of the same product on shelves. This uses up space and limits the amount of goods you display.
- Move extra inventory to the storage room.
- Replace slow-selling products with healthy options to increase profits.

### Product

- Place healthy perishables, like fruits and vegetables, towards the front of the store where they will sell faster.
- Place milk next to water and other healthy beverages in the refrigerator. This will encourage customers to buy other beverages too.
- Place the most healthy products, such as low-sodium canned goods or whole wheat products, just below eye-level.





Limit

# **Improving Your Store Exterior**

## Make your store exterior more inviting to attract customers.



\_\_\_\_\_

Paint over graffiti on building walls.

Plant trees and/or flowers in the ground or in pots. 18

Lime wash the lower half of the building and install weatherboard on the top half.

Update your awning. Keep the wording simple and the design uncluttered.

Display bright banners to attract customers and advertise products. (L) Cost: \$\$

Add more lighting on the outside of the store to make it more inviting. This will also improve safety.

Update entrance doors by replacing them or painting them (blue, gray or white looks good on smaller buildings).

Replace windows or install thick window panes to increase energy efficiency.

Paint steps or replace them, if needed.

(L) Cost: \$\$\$

Replace see-through security gates with solid gates. These look more inviting and are safer.

Replace a flat roof with a tiled, raised (pitched) roof. This will provide better drainage and will improve the look of your building.

Fix sidewalks. A damaged sidewalk can detract from the appeal of your store. You can do it yourself with concrete repair materials and tools or hire a local concrete professional.

Replace railings, if needed.



**Healthy Tip:** Send a positive message to your community by removing tobacco advertising from your store exterior.

#### **Before**



#### **After**

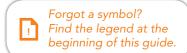


# Making Your Corner Store Green

## Environmental improvements can help save you money.

Eq	uipment	Cost	Savings
Ge	neral		
<b>\$</b> :	At the end of the day, unplug equipment that you are not using, such as coffee machines and blenders.	\$0	Up to \$10, monthly (electric bill)
Lig	hting	REED_	
\$:	Use daylight (windows or skylights) to increase natural light in your store.	\$0 CFL	10–20% (electric bill) if lights are turned off
\$\$:	Switch to CFL bulbs, which last 8x longer than incandescent bulbs, or to LED bulbs, which last 50x longer.	\$2–5 each	About \$41 per bulb, yearly (electric bill) About \$440 per bulb,
\$\$:	Replace your T-8 or T-12 refrigeration case bulbs with LED bulbs, which last 5x longer.	\$60 (5' lamp)	yearly (electric bill)
<ul><li>□ Ref</li></ul>	frigeration		
\$:	If using open cases, install night curtains (or use energy-efficient cases instead).	\$190 each for 4' night curtain + cut fee	37–50% (electric bill)
\$:	Replace or adjust broken or poorly sealing refrigerator door gaskets.	\$30–60 per door	Modest energy savings. Reduced wear on equipment.
\$\$:	Replace old refrigerators with Energy Star-rated ones.	\$500–700 each + delivery + installation	\$100–200 each, yearly (electric bill)
\$\$:	Hire maintenance professionals to service your refrigerators annually.	\$75 per visit + cost for repairs	10–15% (electric bill)
Wa	ter		
\$:	Use high-efficiency spray nozzles, aerators or water-flow restrictors.	\$40-200 each	About \$1,400, yearly (water bill)

# Making Your Corner Store Green



Equ	Equipment		Cost	Savings
5 He	ating & Cooling			
\$:	Use shades to control the amo sunlight in your store.	ount of	\$120–168 per window	\$10–45, yearly (electric bill)
\$:	Install window fans that can be exhaust heat during the day ar switched to take in cool air at a	nd	\$50–150 each	\$26, yearly (electric bill), when used 8 hours daily
(L) Hea	ating & Cooling			
\$\$:	Replace old windows with Energy Star rated windows.	On oran.	\$70–300 each + installation	\$20–95 yearly (electric bill)
\$\$:	Install an awning on the side or front of your store.	ENERGY STAR	\$1,350-3,000 each (including installation)	20-25% (electric bill)
	Plant a tree outside your store	for shade.	\$10–15 each + \$8 for soil	12% (electric bill), once tree reaches 20–25'

#### **More Green Ideas**

#### Recycling/Reusing

- \$: Ask customers if they want a bag for their purchase. Some customers do not want a bag. Using less bags reduces expenses and litter outside of your store.
- \$: Reuse packing materials, such as cardboard boxes, styrofoam and paper.
- \$: Recycle. Use any sturdy household container (32 gallons or smaller) and write "Recycling" on the side. You can recycle metal, glass, paper, cardboard and plastic.



#### Gardening

- \$: Start a container garden in your store or in an area outside. They are small, easy to move and simple to care for. You can sell the items you grow in your store. Try tomatoes and peppers.
- **\$\$:** If you have a stable rooftop above your store, start a garden there. This is an excellent way to grow your own produce while keeping your building cooler in the summer.

