

Enterprising Rural Families™



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Grocery Stores- Does Your Town Have One?

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Does your quick stop at the grocery store feel more like a planned trek that takes prior planning and hours to complete? If so, you're not alone. Studies show rural grocery stores are slowly disappearing across the country forcing individuals to travel long distance to buy food. Ultimately jeopardizing the ability for rural towns to survive. "You can't have a thriving community without healthy, energetic people eating good food," (Powell, 2012).

The effects of rural grocery stores closing have been shown to cause a ripple effect in the economy making it difficult for rural towns to survive. When local grocery stores close it not only diminishes employment opportunities, it also creates an economic drain on the town, causing residents of rural towns to find jobs in larger thriving towns and consequently spending their money in that town. Literature furthermore indicates that residents of rural towns who are commuting to larger towns for work are spending their money in that particular town due to the convenience and selection of businesses available. "The advent of corporate, chain grocery store facilities in nearby larger cities and the relative ease in driving due to advances in vehicles and highways often make shopping at larger grocery stores more attractive..." (Bailey, 2010). Studies conducted by the Center for Rural Affairs have indicated that towns that are located in a food desert or who have low- access

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Tip of the Month

MARKETING ALLIANCES

A Core Leadership Group of 5-10 persons should work to move the alliance forward. Until by-laws are adopted and officers and directors elected, the core leadership group will be responsible.

Communication is essential to keep all interested parties informed—newsletter, email updates, let's talk sessions or telephone conference sessions.

Outside Assistance - alliances often require assistance of consultants and legal advisors to build organi-

zational structure and provide financial assistance.

Strategic Planning should occur early in alliance formation and continue at regular intervals. This should include developing mission or vision statements and action steps.



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to food are more likely to experience significant economic and health challenges compared to towns who have access to fresh foods.

Local groceries throughout the country were recently surveyed to better understand what challenges owners face while operating in rural towns. The most significant challenge indicated in the survey was operating and utility costs followed by available labor and the cost of labor. So how do we save local grocery stores and prevent rural towns from disappearing?

Below are suggestions on ways to keep rural grocery stores open:

1. Host a town gathering to educate and inform residents about the benefits and impacts of having a local grocery store in rural communities. Create positive energy and get buy-in from residents who don't shop regularly at the local store.
2. Know your customer's needs. Include products and foods your local consumers indicate they want or need.
3. Know different types of ownership models available for the store. Most people think grocery stores in rural towns need to be independently owned – perhaps one of these models would work for your town: community-owned stores, cooperatives, or a school-based model.
4. Housing multiple enterprises in a building could help cut down operating and utility cost. Perhaps there is an opportunity to include a café, floral shop, bank or post office into the grocery store.
5. No grocery store is successful without great customer service. Spend time getting to know your customer's needs and wants. Maintain a customer friendly staff.
6. Last but not least- create a store that your community is proud of and residents want to see it succeed.



Rural towns throughout the country are facing economic and population declines due to multiple factors including the closing of grocery stores. However, a study in Iowa indicated that local grocery stores in rural areas when compared to superstores actually charged lower prices for basic food products important to a healthy diet. Findings demonstrate that there is hope for rural grocery stores its just a matter of educating and retaining local consumers.

Resources:

Center for Rural Affairs. (n.d.). Saving the Small Town Grocery Store.

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Bailey, J. (2010, October 1). *Rural grocery stores: importance and challenges*. Retrieved April 1, 2014, from

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