

Supermarket

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A **supermarket** is a departmentalized self-service store offering a wide variety of food



Exterior of a typical British supermarket (a Tesco Extra)



Exterior of typical North American supermarket (a Safeway)



This Flagship Randalls store in Houston, Texas is an example of an upscale supermarket.

and household merchandise. It is larger in size and has a wider selection than a traditional grocery store.

The supermarket typically comprises meat, produce, dairy, and baked goods departments along with shelf space reserved for canned and packaged goods as well as for various nonfood items such as household cleaners, pharmacy products, and pet supplies. Most supermarkets also sell a variety of other household products that are consumed regularly, such as alcohol (where permitted), household cleaning products, medicine, clothes, and some sell a much wider range of non-food products.

The traditional supermarket occupies a large floor space on a single level and is situated near a residential area in order to be convenient to consumers. Its basic appeal is the availability of a broad selection of goods under a single roof at relatively low prices. Other advantages include ease of parking and, frequently, the convenience of shopping hours that extend far into the evening. Supermarkets usually make massive outlays for newspaper and other advertising and often present elaborate in-store displays of products. Supermarkets are often part of a chain that owns or controls (sometimes by franchise) other supermarkets located in the same or other towns; this increases the opportunities for economies of scale.

In North America, supermarket chains are often supplied from the distribution centers of a larger business, such as Loblaw Companies in Canada, which owns thousands of supermarkets across the nation. They have a distribution center in every province — usually in the largest city in the province.

Supermarkets usually offer products at low prices by reducing margins. Certain products (typically staples such as bread, milk and sugar) are often sold as loss leaders, that is, with negative margins. To maintain a profit, supermarkets attempt to make up for the low margins with a high overall volume of sales, and with sales of higher-margin items.

Customers usually shop by putting their products into shopping carts (trolleys) or baskets (self-service) and pay for the products at the check-out. At present, many supermarket chains are trying to reduce labor costs further by shifting to self-service check-out machines, where a group of four or five machines is supervised by a single assistant.

A larger full-service supermarket combined with a department store is sometimes known as a hypermarket. Other services that supermarkets may have include banks, cafés, creches, photo development, video rental, pharmacies, and/or gas stations.

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History

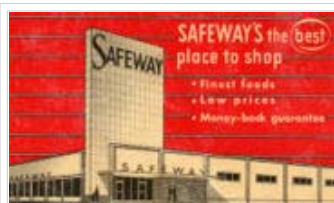


Packaged food aisles of Fred Meyer in Portland, Oregon

In the early days of retailing, all products had to be fetched by an assistant from shelves on one side of a counter while the customers stood on the other side and pointed to what they wanted. Also, many foods did not come in the individually wrapped consumer-size packages taken for granted today, so an assistant had to measure out the precise amount desired by the consumer. These practices were obviously labor-intensive and therefore quite expensive. The shopping process was slow, as the number of customers who could be attended at one time was limited by the number of clerks employed in the store.

The concept of a self-service grocery store was developed by Clarence Saunders and his Piggly Wiggly stores. His first store opened in Memphis, Tennessee in 1916. Saunders was awarded several patents for the ideas he incorporated into the Piggly Wiggly stores. The stores were a financial success and Saunders began to offer franchises. A&P was another successful early chain in Canada and the United States, having become common in North American cities in the 1920s. The general trend in retail since then has been to stack shelves at night and let the customers get their own goods and bring them to the front of the store to pay for them. Although there is a higher risk of shoplifting, the costs of appropriate security measures will be ideally outweighed by the economies of scale and reduced labor costs.

According to the Smithsonian Institution, the first true supermarket in the United States was opened by ex-Kroger employee Michael J. Cullen, on August 4, 1937, in a 6,000 square foot (560 m²) former garage in Jamaica, Queens, New York.^[1] The store, King Kullen, following King Kong, operated under the slogan "Pile it high. Sell it low." When Cullen died in 1941, there were seventeen stores in operation.



A Safeway advertisement from the 1950s.

Existing grocery chains like Kroger and Safeway at first resisted Cullen's idea, but eventually were forced to build their own supermarkets as the North American economy sank further into the Great Depression and consumers became price-sensitive to a degree never seen before.^[2]

Kroger took the idea one step farther and pioneered the first supermarket surrounded on all four sides by a parking lot.

Supermarkets proliferated in Canada and the United States, along with suburban areas after World War II. At present, North American supermarkets are often co-located with smaller retailers in strip malls and are generally regional rather than national. Kroger is probably the closest thing to a national chain in the United States but has preserved most of its regional brands like Ralphs, City Market and King Soopers. In Canada the largest food retailer is Loblaw Companies. Loblaw Companies operates grocery stores across Canada under a variety of regional names such as Fortinos, Zehrs and the largest Loblaws

(named after the company itself). Sobeys is Canada's second largest supermarket with locations across the country, operating under many banners (Sobeys, IGA in Quebec locations). In the UK Tesco is the largest chain of supermarkets followed by ASDA and Sainsbury's.

In Britain, France

and other countries, the proliferation of out-of-town supermarkets has been blamed for the disappearance of smaller, local grocery stores and for increased dependency on the motor car (and the consequent traffic). In particular, some critics consider the practice of selling loss leaders

to be anti-competitive, and are also wary of the negotiating power large retailers have with suppliers. Supermarkets are found around the world in dozens of countries.

It was formerly common for supermarkets to give trading stamps. Today, most supermarkets issue store-specific "members cards," "club cards," or "loyalty cards" which are scanned at the register when the customer goes to check-out. Typically, several items are given special discounts if the credit card-like devices are used.

Today supermarkets face price competition from discount retailers such as Wal-Mart and Zellers (non-union labor and greater buying power) and warehouse stores such as Costco (savings in bulk quantities).

Typical supermarket merchandise

Larger supermarkets in North America and Europe typically sell many different types of items, such as:

- Alcoholic products (where provincial/state and/or local laws allow; individual state and province control as to beer, wine,)
- Baby food and products
- Bakery
- Books, newspapers, and magazines, including supermarket tabloids
- Car care products
- CDs, DVDs, and videos (including video rentals)
- Confectionery
- Cosmetics
- Clothing and footwear
- Dairy products
- Diet foods
- Electrical items
- Feminine hygiene products
- Financial services (mortgages, credit cards, savings accounts, wire transfers, etc.)
- Flowers
- Frozen foods
- Fruits and vegetables
- Greeting cards
- Housecleaning products
- Luggage
- Lottery tickets
- Meat
- Medicines and first aid items (mostly over-the-counter, some supermarkets have pharmacies)
- Non alcoholic beverages, such as refreshments and water
- Personal financial products
- Personal hygiene and grooming products
- Pet foods and products
- Snacks
- Toys

In other countries, the range of products is sometimes more narrowly focused on food products, although the ranges sold are broadening in many countries as average store sizes increase.

Typical store architecture

Most supermarkets are similar in design and layout due to trends in marketing.



The interior of a Loblaw's supermarket in Toronto

Produce tends to be near the entrance of the store. Milk, bread, and other essential items may be located in the rear or other out of the way places. This is purposely done to ensure maximum time spent in the store, strolling past other items and capitalizing on impulse buying. The front of the store or Front-End is where one might find point of sale machines or cash registers. Many retailers have implemented self-checkout devices in their stores in an attempt to reduce labor costs.

Criticisms



Supermarket check out



Fruit on display in a supermarket in Japan.

British author Joanna Blythman is a prominent critic of the modern supermarket.

In Hong Kong, larger supermarkets (usually called superstores) are criticized for selling fresh foods available in wet markets, making operation of some markets extremely difficult . PARKnSHOP Megastores even sell electrical appliances and furniture.

See also

- List of supermarkets for chains past and present
- Point of sale
- Distribution
- List of marketing topics
- Asian supermarket
- Marketing
- Retail
- Retailers' cooperative
- Shopping cart (trolley)
- Shopping hours

References

- ↑ Anonymous, "The place where supermarketing was born," *Mass Market Retailers* 19, no. 9 (17 June 2002): 172.
- ↑ Ryan Mathews, "1926-1936: entrepreneurs and enterprise: a look at industry pioneers like King Kullen and J. Frank Grimes, and the institution they created (Special Report: Social Change & the Supermarket)," *Progressive Grocer* 75, no. 12 (December 1996): 39-43.

Further reading

- William Greer, *America the Bountiful: How the supermarket came to main street*, Food Marketing Institute, 1986. ISBN 999925568X OCLC 14357784 (<http://worldcat.org/oclc/14357784>)
- Henry Petroski, *Shopping By Design: Supermarkets, like other inventions, didn't just happen; they were designed, developed—and patented.*, American Scientist Volume: 93 Number: 6 Page: 491. URL:<http://www.americanscientist.org/template/AssetDetail/assetid/47364>

External links

- groceteria.com (<http://www.groceteria.com/>) - supermarket history and architecture from the 1920s to the 1970s
- Scrambling for customers (<http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2005/08/04/BUG7PE2DKH1.DTL>) , 4 Aug 2005, San Francisco Chronicle
- Supermarket background and history (http://www.aboutretail.net/types_of_retail_outlet/supermarket.htm/)
- What's Wrong With Supermarkets? (<http://www.corporatewatch.org/?lid=705/>) - Corporate Watch give an analysis of the
- Supermarket News (<http://www.supermarketnews.com/>) - Nationally circulated weekly trade magazine for the food distribution industry.

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