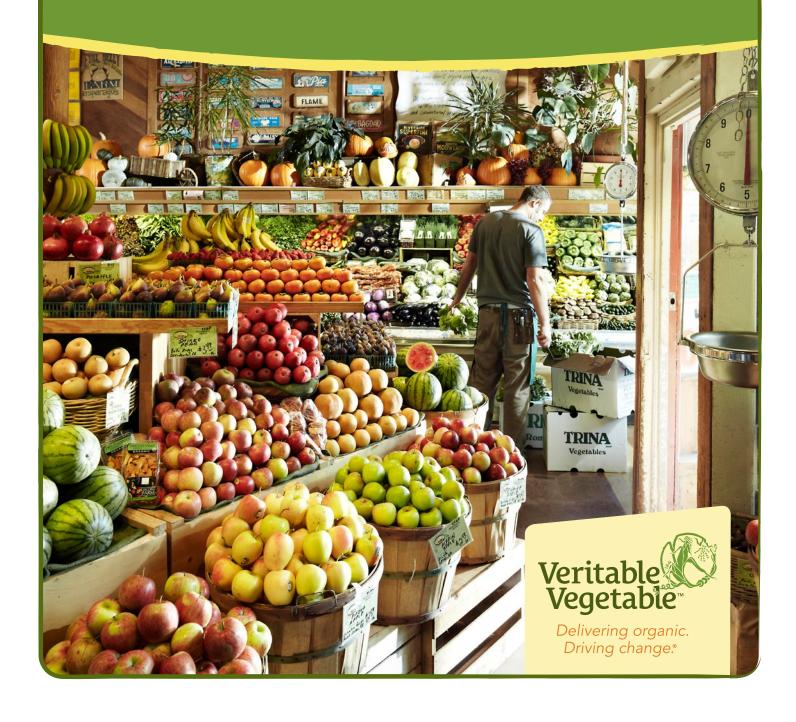
# Produce Department Manual



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# Getting the Most Out of this Manual

Walking into a well-managed produce department store is an experience that stimulates the senses. The colors, shapes, textures and aromas contribute to a shopper's desire to "try it all." So, what does it take to create a positive, visceral reaction to the produce department?

There are many tools of the trade to excite your shoppers, but we believe the most important element is passion — a passion to support organic farmers, a passion to understand the diverse assortment of produce available, a passion to create beautiful displays and a passion to meet your customers' needs.

Demonstrate your expertise in seasonal availability, heirloom varietals, flavor profiles and product preparation. Use your knowledge to make your department unique in a way which benefits your customers while helping differentiate you from competitors. Build lasting relationships with growers, vendors and customers to create a loyal community. Think outside the box to deliver the best product and service possible.

Sharing your passion with shoppers will lead to increased purchases both in and out of the produce department, driving overall store profitability. Of course when this passion is accompanied by a sophisticated understanding of finances, you are well positioned for success.

We at Veritable Vegetable are committed to expanding access to healthy, organic produce choices. For the past 40+ years, we have worked hard to promote a sustainable food system. Partnering with you to drive demand for organic produce means we are contributing to the financial viability of organic farmers.

We developed this Produce Department Manual as a resource. Whether you are experienced or new in the role, our goal was to share our experience by providing operational tips and ideas you can use to improve your department's success. We hope you find this resource inspirational. We wish you continued success!



## Introduction

At Veritable Vegetable, we believe the Produce Department is the most valuable department within a grocery store. Often found close to the entrance, the Produce Department has a wonderful opportunity to shape a positive first impression of the store for the shopper. Creating a visually stimulating and productive Produce Department takes creativity and hard work. This manual provides information to assist you in building and maintaining a successful Produce Department.

#### Have a Produce Department Goal

When department members share a common goal, the team works together more effectively and has a shared sense of purpose. In order to fully realize the potential of the Produce Department, every team member must understand and appreciate the goal of the Produce Department. We encourage you to identify your department's goal and have provided a suggestion.

## GOAL: Meet every customer's needs by...

- offering the best quality organic produce available;
- storing produce properly;
- handling produce in a safe manner;
- displaying produce in a way that honors the labor that went into growing and transporting it;
- sharing information about produce (uses, nutritional facts, taste, storage, etc.); and
- offering an excellent customer experience!

#### Safety is Always a Priority

Maintaining a safe work and shopping environment is critical to the Produce Department's success. Staying focused on safety in the backroom and on the sales floor prevents unnecessary accidents.

# A clean, organized department = a safe department

- Remove clutter and debris including boxes, pallets, and spilled produce throughout the day.
- If rugs are used in front of misting sections, insure they lay flat to prevent trips.
- Clean up spills immediately and use a "Wet Floor" sign to identify the problem area.

# Take special care when using knives and box cutters

- When not in use, sheath the box cutter blade inside the cutter.
- When using a knife, always cut away from your body and stay focused on the task at hand.
- Keep your produce knife clean and sharp. A dull blade is more dangerous; sharpening your knife once a week is recommended.

#### Move product with care

 Never stack items on a cart or hand truck higher than your line of vision; always be able to see where you are going.

# Prevent injuries by using proper lifting techniques

- Maintain the back's natural "S" curve; use leg muscles to provide strength for lifting (especially for low to the ground items). Bending at the waist reduces strength and flexibility.
- Avoid lifting in an extended reach position by moving closer to the object.
- Do not twist your body while lifting; turn to face the object you need to lift.
- Do not slide an object as you lift to ensure it doesn't catch on something causing your body to stop suddenly or throw you off balance.
- Ask for help if the item is heavier than you can safely lift.

# **Understand Profitability**

The Produce Department plays a key role in the profitability of the store. It is important to know overall store sales volume and the percentage of that total the Produce Department is expected to contribute.

Understanding four key metrics is essential to improve profitability:

- 1. Customer Volume measures how many customers entering the store purchase produce or the number of produce transactions in a given time period.
- 2. Sales Volume measures basket/cart size or how much each produce customer purchases on a given shopping trip.
- 3. Margin reflects the percentage of gross profit for an item and is expressed as a percentage. The calculation for margin = (retail cost)/cost.
- 4. Product Loss / Shrink measures how much product you purchase that doesn't generate revenue.

Establishing a baseline for each metric allows you to develop and test strategies for improving profitability. Comparing the relevant metric from before implementation to after implementation tells you how the strategy impacted profitability.

#### 1. Increase Customer Volume

Begin by asking yourself: "How can I get more shoppers into my department?"

Create an emotional connection via marketing channels (newsletters, website, in-store signage) between customers and the growers of the produce you sell.

 Work with your Marketing Department as applicable to tell grower stories.

# AWE Sum Organics Representing seven organic labels Common organic was a construction of the construction

Veritable Vegetable provides grower profiles to assist this effort. Contact your Account Manager to inquire about our grower profiles.

# Expose customers to the Produce Department as they enter the store.

- Create a display outside the department in the front of the store whenever possible. Consider seasonality or upcoming holidays when selecting produce to display, for example, bins of watermelon in the summer or pumpkins in the fall.
- Offer a produce sample to customers as they enter the store. Make sure it is a particularly tasty item to draw them into the department.

See sections titled Create an Enticing
Department Through Merchandising and
Cross Merchandise for more ideas.



Avoid the common fallacy that reduced pricing results in more transactions and increases profitability. Before lowering prices, ask yourself:

"How many new transactions do I need to generate to make up for the dollars lost due to a lower retail price?"

Before adjusting prices to be competitive, ensure you can increase sales volume above what is necessary to break even on the sales dollars.



#### EXAMPLE: BUNCH BROCCOLI

CUTZIZENT PIZICE SALES:

100 UNITS/WEEK X \$1,99 EACH = \$199

REDUCED PTZICE SALES:

100 UNITS/WEEK AT \$2.49 EACH = \$249

\*TO TZECOUP THE \$50 TZEDUCTION IN GTZOSS SALES, YOU MUST SELL 10 ADDITIONAL UNITS - THAT MEANS YOU MUST INCTZEASE UNIT SALES BY MOTZE THAN 20%.\*

#### 2. Increase Sales Volume

Increasing sales volume is all about increasing basket/cart size (the average amount purchased by each customer). A small increase in the average amount each customer puts in their basket can have a drastic change on total sales for the department.

Provide a product assortment to meet or exceed your customers' expectations.

See section titled: Product Ordering: Understand Your Customer.

Build enticing merchandising displays that encourage people to buy additional items.

See section titled: Create an Enticing Department Through Merchandising.

**Sample, sample!** Use the sampling methods available to you as outlined in the section titled: Samples Sell Produce.

#### EXAMPLE:

CUTZIZENT WEEKLY TIZANSACTIONS = 15,000 INCIZEASE EACH BASKET BY \$1

TOTAL WEEKLY INCTREASE = \$15,000

**Provide unparalleled service.** See section title:

Add Value to Your Produce Department: Customer Service.

#### 3. Improve Margin

Setting prices for individual items is part of a larger overall strategy to meet your department's margin goal. Margins on some items are higher and some lower to achieve a blended target margin. Account for product loss when setting margin goals for individual items.

When blending multiple margins of individual items, highly perishable items need to be priced so they move quickly. This sometimes means they will have a margin lower than the target margin for the department. Utilize longer shelf life items which can capture a greater margin, to offset items under the target margin; this strategy can help the department meet its overall margin targets.

#### 4. Reduce Product Loss/Shrink

Set a realistic product loss/shrink target (5% is a pretty standard target) and make sure to price products to offset your target. Understand what causes your product loss/shrink since all product loss is not created equal. Is your product loss due to spoilage, which does not contribute positively to the department's profitability? Or is it due to sampling, which can positively impact profitability by increasing sales volume? The goal is to limit shrink but don't try to eliminate it or sales will be sacrificed as well.

Order the appropriate amount and assortment of product based on the store's history. See the section titled: Product Ordering.

Proper produce handling both in receiving and storage reduces product loss. See the section titled: Extend Shelf Life.

Reduce product loss by maintaining freshness of produce. See the section titled: Daily Workflow.

**Use a shrink target to your advantage.** Allow yourself the freedom to try new items or build bigger sets that have the potential to generate more sales. If the new items do not generate the expected additional volume and thus end as product loss/shrink, as long as the loss does not exceed the shrink target, the gross margin target will not be affected.

# **Product Ordering**

Offering the appropriate quantity and selection of produce, forms the foundation for a profitable produce department. Creating a well-stocked and beautifully-merchandised department does more to drive sales than focusing on the price paid per unit ordered.

#### Understand your Customer

Identifying your target customer and understanding their buying habits provides insight into the type of produce your customers want on the shelves during any given season.

#### Be alert to physical cues.

 Are your shoppers accompanied by children or are they more likely accompanied by a briefcase? Are they students or seniors? Does your customer base rely on distribution of a monthly check and if yes, when do sales spike? Answers to these questions may help inform what you purchase and how you market/display those items.

# Review the department's order history to understand past purchasing behavior.

• Do certain holidays trigger specific purchases? What percentage of sales spike can be expected for specific holidays? Do sales consistently peak at a certain time of month? When is an item "in season"? Do your customers have a high or low tolerance for new and/or unusual items?



#### Create a System

Being systematic reduces the chance of ordering errors. Best practice is to use one system for placing orders and have everyone in the department follow the system for consistency.

# When creating a new order, consider the following factors:

- Current inventory in backstock and on the sales floor. Begin by taking a physical inventory of produce on display, in the storage cooler, and in the backroom.
- Produce needs of other departments utilizing your inventory.
- Produce items nearing end of season vs. items on the way in. Is interest in the item increasing or decreasing?
- Special needs for coming events / holidays during the selling period.

#### **Special Orders**

Deliver excellent customer service by offering shoppers the ability to place special orders. If you have minimum quantities required for special orders, make sure all Produce Clerks are knowledgeable about the minimums, so the information is accurately communicated to customers. If a customer requests a special order, fill out a Special Order Request Form. An electronic file for a Special Order Request Form is available at veritablevegetable.com in the Customer Toolbox. Clearly communicate the price and expected arrival date to the customer.

Tracking special orders with a Special Order Log is important to spot trending items you may want to add to your standard order. An electronic file for a Special Order Log is available at veritablevegetable.com in the Customer Toolbox.

#### Inventory

A physical inventory taken on the last day of each month serves as an excellent tool for tracking the Produce Department's financial success.

The inventory reveals:

- Discrepancies between order quantities and sales volume.
- Product loss / shrink levels.

# Utilize a consistent Order Guide.

The Order Guide provides
a space for backroom
inventory, sales floor inventory and amount to be
ordered. Include a spot to note special occasions
that impact order quantities (i.e. Super Bowl
Sunday, Mother's Day, Thanksgiving, etc.). An
electronic version of the sample Order Guide
is available at veritablevegetable.com in the
Customer Toolbox.

 Circle or otherwise highlight the order quantity so you don't accidentally order the "existing inventory" quantity.

Special Order Request Form

DATE: DECEMBET 15 DATE NEEDED: DECEMBET 13

CUSTOMER NAME: JANET DOE

PHONE OR EMAIL: JANET DOE 1345@GMAIL.COM

ITEM: Zucchini Blossoms

QUANTITY: 2 DOZEN

SEE SAMPLE
SPECIAL ORDER LOG
IN APPENDIX I.2

SEE PRINTABLE
SPECIAL ORDER
REQUEST FORMS
IN APPENDIX 1.9

**SEE SAMPLE** 

**ORDER GUIDE** 

A systematic approach is important to ensure inventory is accurate and therefore meaningful.

- Start and end at the same place, so no item is missed.
- Use a pencil so you can adjust quantities if needed.
- Don't forget to include cross merchandised produce outside the Produce Department.

# Product Loss / Shrink

Simply put, shrink is the difference between what you can potentially sell at full retail, minus what you actually sell. A 2012 study, by the company Where's My Shrink, reported shrink from operations accounted for 64% of surveyed stores' shrink, while theft accounted for 36%.

# Shrink is most often associated with product loss.

- Culled produce. Produce which is unsold due to quality issues. To reduce this type of loss:
  - Order effectively so product orders match demand. See section titled: Product Ordering.
  - Handle and store product correctly.
     See section titled: Extend Shelf Life.
  - Maintain a clean department.
     See section titled: Clean Daily.
- Product sampling. Produce given away through sampling contributes to your shrink percentage, but also drives increased sales volume. See section titled: Samples Sell Produce.
- Damage due to rough handling.
- Theft. While not completely avoidable, having a staff presence in the department at all times minimizes customer theft.
- Customer-returned produce.

#### Shrink is also caused by:

- Product mark-downs intended to move product more quickly.
- Inaccurate signage when product goes on the sales floor.
- Mis-rung product at checkout. Assist cashiers with understanding the various produce items to minimize mistakes at the register. Clearly label organic products to minimize under-charging.

According to a McKinsey & Company 2013 report titled "A Fresh Take on Food Retailing," shrink rates (including markdown) vary widely:

- 3–5% of volume in fresh produce at best practice retailers
- 6–8% among average performers
- 9–15% at underperforming retailers

#### For example...

...take a **40 lb. case of apples** with a retail price of **\$3.29 per pound**. Suppose you cull a couple of less-than-desirable apples out of the case while stocking, then a few get bruised later. Perhaps the display isn't rotated correctly and a few shrivel up. If **you end up selling 32 pounds (80%)** of

the original shipped box, then your shrink is the retail value of the unsold 8 pounds. Ideally, had you sold all 40 pounds, you would have \$131.60 in the till. In this example you actually sold 32 pounds for \$105.28, so the unsold difference of \$26.32 equals your shrink.

Tracking product loss / shrink provides insights into areas needing improvement. One suggested rule for tracking product loss / shrink is the "5 Rule":

- Product valued above \$5/pound
- More than 5 pounds of the item was lost

A sample Product Loss/Shrink Log is available electronically at veritablevegetable.com in the Customer Toolbox.

SEE SAMPLE
PRODUCT LOSS/SHRINK LOG
IN APPENDIX I.3

## **Extend Shelf Life**

As a very perishable item, produce needs to be received and stored in the right temperature zone as quickly as possible to reduce loss of product quality. Oliver Wyman, an international retail consulting firm, published a 2014 report titled "A Retailer's Recipe, Fresher Food and Far Less Shrink"\* in which they noted, "Customers who are satisfied with freshness will spend 33% more in the produce department of their primary store compared to those who are not satisfied. At the same time, customers will spend 8% more of their total grocery spend exclusively with the retailers whose produce they are pleased with than the shoppers who are not happy with that store's produce."

#### Receiving

- When an order arrives at your store, sign the invoice or packing list; keep one copy for the store and return one to the driver.
- Review the order for accuracy and damaged product including:
  - Quantity and sizes ordered match product received.
  - Quality meets store standards (note if any issues exist and if credits/returns are needed).
  - Keep any notes with the invoice and communicate with the vendor in a timely manner to resolve issues.
- Make sure received product is logged for accounting purposes.

#### Storage

- Organize and clean coolers and dry storage areas in preparation of a delivery.
- Never place product directly on the floor to avoid exposure to contaminants.
- Use a standard dating system for each box as it enters the store; when storing, ensure the date faces out so older produce is pulled first. Educate everyone in the department to understand the dating system.

Understand the proper storage area for each item of produce.

Temperature and humidity also play an important role in shelf life and are directly related to each other. For example, if a cold room temperature increases by only 2°F, the relative humidity drops approximately 7%, which reduces produce shelf life by 50%. Leafy greens last 4 times longer when stored in a room with 95% relative humidity than in a room with 80% relative humidity.

According to a publication from the University of California, produce respiration increases 200–400% for each increase of 18°F, up to temperatures of about 77°F to 86°F. Additionally, it is important to note that a byproduct of respiration is heat. Which means a storage area with an ambient

temperature of 32°F may have produce registering 2–4°F higher. Therefore monitoring the ambient temperature may not be sufficient. Optimal storage and transport of fruits and vegetables varies by product with optimal temperatures ranging anywhere between 32°F with 90–95% relative humidity for strawberries as one example, to 55°F–59°F with 85–90% relative humidity for grapefruit.

\*Courtesy of DeltaTrak®, Inc., a leading innovator of cold chain management and temperature monitoring solutions.

<sup>\*</sup>The full report can be found at veritablevegetable.com in the Customer Toolbox.

#### **Extending the Shelf Life of Bananas**

Did you know bananas account for 9–10% of produce department sales and 1% of overall store sales in most U.S. grocery stores? Because bananas contribute so significantly to store profitability, it is essential to handle them with extreme care during receiving, storage and display.

#### Receiving

- To prevent bruising, do not drop or bang boxes, or push them with your feet.
- Inspect to ensure you received the color you ordered. Order bananas to allow for immediate consumption and for future use.



#### Storage

- Never place bananas in the cooler as they will begin to show signs of chill if exposed to temperatures below 55°F. Ideal banana storage temperature is 55°F–58°F.
- If your bananas are ripening too quickly, airstack the boxes to allow venting, which slows ripening. To air-stack:
  - Pull lid off, turn upside down and place the box bottom inside the lid.
  - Stack in a criss-cross style on pallet or rack to increase air flow.
  - Never stack more than 4 cases high, as the added weight might damage fruit at the bottom of the stack.

# Daily Workflow

All daily tasks in the Produce Department ultimately serve to preserve and display high quality produce. Establishing high standards for the department results in higher sales volume because customers are more satisfied.

#### **Quality Control**

Customer Toolbox

Monitoring quality is an ongoing responsibility of every department member and occurs by using multiple senses: sight, touch, smell and taste on a daily basis.

- Notice texture and color between varieties.
- Look for ripeness, good color, and freedom from bruises, skin punctures, and decay.
- Taste products while stocking; note winners and losers and communicate to each other and to the buyer. A sample Communication Log is available electronically at veritablevegetable.com in the



#### Product Preparation: Cleaning, Trimming, Cooling & Rehydrating

Always handle produce with care as rough handling can damage product, decreasing product life and adding unnecessary product loss / shrink. Only prep the amount of produce needed to merchandise for one to two days. Prepping more product than needed contributes to more product loss because product may need to be reprepped if not sold quickly.

# Prep produce by cleaning, trimming, cooling and rehydrating to:

- Extend life of product.
- Restore crispness to greens.
- Restore rubbery roots.

#### **Prepping**

Prepping produce refers to cleaning, trimming and rehydrating items before merchandising them on the sales floor.

#### Cleaning

Cleaning produce removes post-harvest dirt / sand and removes slime and enzymes associated with rotting.

#### **Trimming**

Trimming produce keeps quality high and creates more attractive displays. Do not trim if, in doing so, product may be damaged.

#### Cooling

Cooling produce slows or stops the heat generated after harvesting.

#### **Hydrating**

Hydrating produce (which is 95% water) replenishes water lost in transit and display.



#### **10 Steps for Prepped Produce**

- 1. Gather necessary tools:
  - Trimming knife
  - Baskets or trays for draining items
  - Twist ties and bands
- 2. Clean and rinse the sink
- 3. Fill the sink with water just slightly warmer than room temperature
  - Too hot cooks the product and too cold prevents water absorption
- 4. Gently remove bands (if applicable), damaged or wilted leaves and stalks. Trim problem areas.
- 5. For items requiring hydration, trim very slim slice off the butt of the product.
- 6. Place trimmed produce in sink and swish in water to wash.
  - Carefully place lettuce, spinach and greens in the sink stems down.
  - Submerge item in water; soak for 3-5 minutes.
  - Avoid tossing or piling produce. Hardy produce such as broccoli, carrots, beets and turnips can be fully submerged and soaked longer.
  - Change water as it becomes dirty, too cold, or if a particularly strong flavored or fragrant produce item (leeks, cilantro, etc.) was previously in the sink.
- 7. Drain water off product thoroughly before repacking and storing. Excess water accumulation in storage bin causes breakdown and decay.
  - Allow items to drain 3-5 minutes before re-banding and storing.

SEE SAMPLE
PRODUCT PREPARATION GUIDELINES
IN APPENDIX I.5

# 8. Re-band after product drains and place in storage bin; move to cooler.

- Do not band product too tightly. Avoid twisting leaves into the twist tie.
- Band lettuce and celery ¼ down from the top—any lower and the tops of lettuce may flop over and rip off; any higher and the leaves get scrunched up and are not as visually pleasing.
- Cool the re-hydrated product a minimum of 45 minutes to allow for crisping time.

#### 9. Place prepped produce in storage tubs.

- Place lettuce, spinach, cilantro and leafy greens stem side down.
- Allow plenty of room for the produce to retain its original shape; do not pack too tightly.
- Place so product lifts easily out of the container without tearing or breaking leaves.
- Make sure produce is not sitting in water.
- Label, date and initial prepped produce, so if issues are identified they can be addressed.

# 10. Clean the sink and knives and store supplies when finished.

#### Cull

Distressed product on display gives a poor image of quality; cull three times each day to keep displays looking fresh. "If you would not buy it, pull it" is a good rule of thumb.

- Have a work surface, such as a table or top of a cart, available.
- Use produce boxes rather than trash cans while on the sales floor.
- Be systematic -- start at the front of an aisle and work your way back.
- Pull off any poor quality product.
- Check date-coded items carefully and remove any expired items.
- Understand the ripening stages for each produce item, to reduce risk of culling product that is still saleable. For example, a soft avocado is great for quacamole and a wrinkled passion fruit is ripe.
- Record how much product is culled on the Product Loss / Shrink Log. See section titled Product Loss / Shrink.



#### Rotate

Effective product rotation minimizes product loss by always selling product in the order received.

- Use a cart / flat-top as a work area and have 2 empty produce boxes available to use during the rotation process and for culled product.
- Pull all product off the display and place in the produce box.
- Take new product and lay it at the bottom; place removed product on top of the new product.
- Cull the old product as you work.



# Create an Enticing Department Through Merchandising

Effective merchandising displays drive sales, increase purchasing volume, and lead to repeat visits from customers. Every Produce Department has strengths and weaknesses; develop a realistic understanding of the physical space your department occupies, so you can emphasize the strengths and play down the weaknesses.

# Successful produce displays share these characteristics:

#### Quality produce!

• Cleaning, hydrating, culling, and rotating all contribute to the effort.

#### Visually pleasing!







# Consider every direction from which a customer can approach the department. Ask yourself:

- Are there physical obstacles a customer has to negotiate to enter the department? How can they be eliminated or minimized?
- Can a customer clearly see deep into the department? Is there signage blocking the view? Are displays too tall?
- Is there a compelling display at the primary and secondary entry points?

#### Communicates abundance!





✓ "Dummy up," or create false bottoms in baskets and crates to give a full appearance without as much pack out. Another benefit: this reduces product damage due to excess weight on produce at the bottom, reducing product shrink.





#### Easy to shop!







#### **Props**

Props are needed in produce departments to create visually appealing displays, hopefully increasing impulse purchases. If set right, props create abundant looking displays while reducing the amount of product actually on display. A smaller quantity of product allows the department to keep products fresh and appealing.



# Assess your existing props or the need for additional props by asking:

- What is the likelihood of the prop causing damage to the product? This eliminates most wire baskets from consideration as a useful prop.
- Does the prop allow equal distribution of the weight of the stacked fruit? A successful prop allows several layers to be stacked without causing damage to the lowest layer of product.

#### Signage

Accurate, easy to find, and easy to read signage plays a key role in helping a shopper make a purchasing decision. Using a consistent template (colors, styles, fonts, shape, and size of sign are the same) for pricing means customers can focus on the unique elements of the sign.

#### Include the following in each item's sign:

- Item name.
- Price.
- Certification: note if item is organic, transitional, or conventional.
- Country of Origin (required by law for all fruits and vegetables, including cut items).
- Grower/label name (highly recommended).
- Distance or "local" (optional).

#### • How much of the prop is visible? It is a good rule of thumb that displays should feature the produce for sale. If a bushel basket is used as a prop, the customer should see more of the produce inside the basket than the basket itself. A good ratio of visibility is 70% product and 30% prop. The higher the percentage of product displayed is compared to the percentage of prop displayed, the higher your skill as a produce retailer.

Is the prop easy to set up and use?



Contact your
Account Manager
to request price
signage templates or
download them from
veritablevegetable.
com in the Customer
Toolbox.

#### At the beginning of each day:

- Verify signs are still next to correct product.
- Ensure signage reflects ad /specials pricing.
- Remove signs for unavailable product.
- Determine need and create signs for sample displays. Use the sign to invite shoppers to taste the item.
- Replace damaged or missing signs.
- Identify opportunities to utilize signage to provide guidance regarding ripeness to aid customers make buying decisions.

#### Cross Merchandise

By adding merchandise from other departments into the Produce Department you can drive sales for multiple items. Suggesting ways to prepare a produce item also adds value for your customer. Produce can also be merchandised in other departments. Here are a few suggested pairings:

- Tomatoes with basil, olive oil, fresh mozzarella or other salad add-ons.
- Strawberries pound cakes, dessert shells, whipped cream, glazes and chocolate dips.
- Lemons near the fish counter.
- Corn with butter or corn holders.
- Avocadoes with tortilla chips (in the Produce Department or chip aisle).
- Apples with caramel dip.



- Apples or other hand fruit at the deli counter, if sandwiches or other prepared food is available.
- Bananas or blueberries in the cereal aisle.





#### **Utilize Ad Programs**

- **Expand your set.** Large impactful sets help fuel the customer's impression of the value of an item. If you put an item on Ad it is probably your strategy to increase the sales volume of that item. Make sure the set expands to a size to meet your sales goal. If the goal is to increase sales volume by 10%, increase the display to a size corresponding to 10% growth.
- **Spread the wealth.** When multiple items are on Ad, distribute the items throughout the department. This helps give your customers a sense of value in many areas as they walk through the produce section. The initial set a customer sees upon entering the area should be a seasonal Ad item. As customers continue shopping, additional Ad items in high traffic areas create more impulse purchases.
- Mix your margins. When building larger Ad sets with lower margin items, make sure to incorporate partnered impulse items with greater margins to help offset the lower margin item's impact. This is a great way of blending margins to achieve your target while also building the customer's basket size (for example, combine a set incorporating tomatoes on Ad with bunch basil priced at a higher margin).
- from regularly priced items and easily identifies the item as "on special." Keep all Ad signage consistent, so customers immediately recognize Ad items. Increase interest by displaying the signage so it is easily read from multiple paths the customer may take to the set.

 Provide your team with knowledge. Make sure every team member knows the unique facts about Ad items. Speaking knowledgeably with customers about grower, season length, uses and taste profiles differentiates your store from a competitor with a like item on Ad. Building customer product knowledge helps increase future sales of items when the item is no longer on Ad.



# **Clean Daily**

Shoppers respond to a clean, well-stocked department and reflect that appreciation by having fuller shopping carts. A clean department (sales floor and backroom) also protects the quality of the produce by preventing bacteria growth on storage/display racks and cases. Reducing bacteria reduces product loss / shrink.

#### Simple steps to take include:

- Set up a cleaning schedule and use a log to verify the schedule is maintained. A sample Cleaning Schedule is available electronically at veritablevegetable.com in the Customer Toolbox.
- Carry a rag at all times and clean as you work in the department.
- Clean mirrors on the wet rack with a mild vinegar solution (1 part water to 1 part vinegar) to prevent lime buildup without the use of caustic chemicals.
- Sweep and mop floors once or twice each day.
  - Be alert to water on the floor from ice in the wet rack, ricochet from the sprayer hose and spills.
  - Utilize "Caution: Wet Floor" signs to warn shoppers of a potential hazard.

Keep a close eye
on sample displays
as they create

Waste Frequently wine display domes to eliminate

waste. Frequently wipe display domes to eliminate fingerprints.

**SEE SAMPLE** 

- Don't let produce boxes accumulate. Break down all but one or two boxes, which can be used for culling and rotating product. Carry boxes to dumpster or recycle bin safely and easily by placing all flattened boxes inside one of the saved boxes.
- Clean department knives, box cutters, corers, table tops, and sinks after each use.
- Assign cleaning supplies a specific storage location to prevent contamination of produce.

# Compost / Recycle

While the goal is to have minimal product loss / shrink, there is nevertheless always a certain amount of produce needing disposal. Seek creative composting opportunities, especially if your municipality does not meet your needs. Customers that garden or raise chickens / pigs may be able to use some of your nutrient rich waste. Work with your Marketing team, if available, to promote the availability of compostable matter.

Veritable Vegetable reduces waste entering retail locations by using re-useable Pallet WrapZ instead of shrink wrap and reusable pallets instead of wood. Ask your Account Manager if this is an option for your store.



# Add Value to Your Produce Department

Customers can almost always find a cheaper place to shop. Trying to compete based on price alone puts you in a "race to the bottom," making it extremely difficult to succeed. Previous sections discussed providing a diverse product line appealing to your target customer, creating enticing displays, utilizing easy to read signage and maintaining a clean department. In addition to these practices, your Produce Department must offer excellent customer service to demonstrate you truly care about customer satisfaction.

#### **Customer Service**

Satisfying customers should be the highest priority of every member of the Produce Department. A satisfied customer purchases more on each visit and visits more often. Creating a satisfying experience begins by following the guidelines already discussed and by following a few additional rules of thumb.

- Treat every customer with respect and courtesy.
- Use the 10-4 rule when a customer approaches you:
  - Within 10' acknowledge the customer's presence; a smile, friendly nod or wave is all that is needed.
  - Within 4' verbally engage by greeting in a friendly, professional manner; a "Good morning/afternoon/evening, how are you?" or "Is there something I can help you find?" or "Are you finding everything you need?" are all effective options. The idea is to offer assistance without striking up a long conversation as neither of you have time to chat.
- Never say "I don't know" without following it with "but let me find out for you." Follow through on getting whatever is requested. If follow-up is required after the shopper leaves the store, make sure you have contact information. If the question is about another department's product, connect the shopper with the appropriate person to help.

- Be familiar with the day's specials, particularly tasty items, so you can suggest items if a customer seems receptive to ideas or asks specifically.
- Suggest an alternative product if a customer is looking for an unavailable item.
- Become familiar with the farm labels the store carries, to share the grower information with customers. Online grower profiles are available as a resource at veritablevegetable.com.
- Field Guide to Produce: How to Identify, Select, and Prepare Virtually Every Fruit and Vegetable at the Market, by Aliza Green is a handy reference for answering questions about nutritional value, cooking methods, etc. Refer to it as needed to provide exceptional service.
- Provide customers a chart outlining how to properly store fruits and vegetables to maintain the best taste and quality.

As part of offering excellent customer service, ensure everyone in the Produce Department can confidently answer the commonly asked question: "Why buy organic produce?" The following list, provided by the Organic Trade Association, shares the top reasons why buying organic produce is "better for the earth, better for people and animals, and better for eaters."



#### Why Organic?

- Organic products meet stringent standards.
   Organic certification is the public's assurance that
   products have been grown and handled according
   to strict procedures without persistent toxic
   chemical inputs.
- Organic food tastes great! It's common sense

   well-balanced soils produce strong, healthy plants
   that become nourishing food for people and animals.
- Organic production reduces health risks.
   Many EPA-approved pesticides were registered long before extensive research linked these chemicals to cancer and other diseases. Organic agriculture is one way to prevent any more of these chemicals from getting into the air, earth and water that sustain us.
- Organic farms respect our water resources.
   The elimination of polluting chemicals and nitrogen leaching, done in combination with soil building, protects and conserves water resources.
- Organic farmers build healthy soil. Soil is the foundation of the food chain. The primary focus of organic farming is to use practices that build healthy soils.

• Organic farmers work in harmony with nature. Organic

> agriculture respects the balance demanded of a healthy ecosystem: wildlife is encouraged by including forage crops in rotation and by retaining fence rows, wetlands, and other natural areas.

SEE PRINT-FRIENDLY "WHY ORGANIC?"

IN APPENDIX I.7

- Organic producers are leaders in innovative research. Organic farmers have led the way with innovative on-farm research aimed at reducing pesticide use and minimizing agriculture's impact on the environment.
- Organic producers strive to preserve diversity. The loss of a large variety of species (biodiversity) is one of the most pressing environmental concerns. The good news is that many organic farmers and gardeners have been collecting and preserving seeds, and growing unusual varieties for decades.
- Organic farming helps keep rural communities healthy. Organic agriculture can be a lifeline for small farms because it offers an alternative market where sellers can command fair prices for crops.

A printable version of "Why Organic?" is available electronically at veritablevegetable.com in the Customer Toolbox.

#### **Utilize Different Types of Effective Sampling**

#### **Active Sampling**

A designated staff member or a third party representative actively hands out samples to customers; don't forget to sample with store staff as well so they become advocates for the Produce Department. Coupons and/or cross merchandised items can be incorporated into the sampling display. Merchandise the sampled items in close proximity to the sampling area so shoppers can easily grab the item(s) they enjoyed tasting.

- Pros: Creates interaction with customers, best in terms of food and health safety, provides educational opportunity.
- Cons: Requires staff time or expense of hiring outside resource.

#### **Suggestive Sampling**

Be ready to offer a sample whenever a customer asks "How does this taste?" or "Which of these \_\_\_ tastes the best right now?" You can also offer information about the grower or suggested uses while cutting the item.

- Pros: Provides a great opportunity to connect with a customer, encourages a shopper to purchase items they are unfamiliar with.
- Cons: Not executed consistently, some customers are too shy to ask or do not want to engage with an associate in this manner.

#### **Passive Sampling**

This sampling method lets the product speak for itself. Pre-cut the produce item and display the item on a tray under a sampling dome. Incorporate excellent signage near the display and make sure the item is displayed close by. As with active sampling, passive sampling can incorporate complimentary products such as cheese or dips.

- Pros: Requires very little staff time; can be done even during very busy times of the day.
- Cons: Does not encourage direct interaction with the customer, highest possibility of product degradation, as multiple customers handle the product unsupervised, creates the the possibility for an unclean or unkempt looking display.

#### Samples Sell Produce

Sampling is a great way to engage with customers and helps demonstrate your commitment to their satisfaction. Sampling also sells product! Did you know sampling produce for a customer when they enter a store significantly increases the proportion of produce the customer purchases on that visit? Although sampling increases shrink, the benefits far outweigh the loss. Impulse purchasing increases when customers can actually taste the product. Remember to log any sampled product on the Product Loss / Shrink Log.

#### Keys to a Successful Sample Display

- Only sample produce that tastes great! Samples reflect on the quality of the department, so make sure samples are exceptionally high quality.
- Sanitize hands, cutting board and knife before prepping samples. It is the responsibility of produce staff to cut samples; never leave a knife on the sales floor.
- Make it easy for the shopper to try it!
  - Appropriately sized samples.
  - Napkins, toothpicks, tongs, and trash receptacles for any waste.

- Signage communicating item name, price, grower, certification, COOL (Country of Origin Labeling) and an encouragement to taste!
- Nearby product display for easy purchasing.
- Take advantage of store traffic by sampling when store is busy.
- If active sampling is used, ensure the person is well informed about the sample produce.
- If passive sampling is used, check the display regularly and replenish to keep stocked at all times.



# Conclusion

Veritable Vegetable is dedicated to becoming your trusted partner/supplier of the freshest organic fruit and vegetables available on the market. We hope this Produce Department Manual assists you in successfully contributing to the department's smooth and effective operation. Our website veritablevegetable.com features a Customer Toolbox containing resources noted throughout and additional resources.

Contact your Account Manager at 415-641-3500 to discuss how we can be of further assistance.

Thank you for your continued support of Veritable Vegetable. Together we can build a thriving, sustainable food system.



# **Appendix**

The following samples are also available electronically at veritablevegetable.com in the Customer Toolbox.

#### 1.1 Sample Order Guide

Order Guide																
			Weekly	Par Daily	# of Days											
Item	Notes	Pack	Velocity	Sales	Ordering			MON		TUES		WED		THU		FRI
					3	INV	ORD	INV	ORD	INV	ORD	INV	ORD	INV	ORD	INV
Apple Braeburn		38	600		6.77											
Apple Fuji		38			13.53											
Apple Gala		38	900	3.38	10.15											
Apple Granny		38	400		4.51											
Apple Honeycrisp		38	600	2.26	6.77											
Apple Wickson		38	200	0.75	2.26											
Artichoke		18	454	3.60	10.81											
Artichoke Baby		20	234	1.67	5.01											
Avocado Hass		25	625	3.57	10.71											
Avocado Reed		24	220	1.31	3.93											
Banana Yellow		40	1400	5.00	15.00											
Banana Plantain		40			10.71											
Banana Thai		20	200	1.43	4.29											

## 1.2 Sample Special Order Log

	PLACED	INTIALS	NOTES	PHONE NUMBER	CUSTOMER NAME	QTY	ITEM REQUESTED	DEPARTMENT	ORDER TAKEN BY
							8	1	9

#### 1.3 Sample Product Loss / Shrink Log



#### 1.4 Sample Communication Log



# 1.5 Product Preparation Guidelines

#### Cleaning, Trimming, Cooling & Rehydrating

Item Name	Recommended Action
Artichokes	Pluck damaged and decayed leaves; trim ends slightly.
Asparagus	Trim stem end and place spears upright in 2" of water if limp.
Bok choy	Remove damaged and discolored leaves; trim stem ends and hydrate as needed.
Broccoli	If rubbery, trim stem end and hydrate in sink.
Bulk salad / spinach	Use gloves to pick through mix; look for rot, shriveled leaves and weeds.
Bunched beets / turnips / carrots	Remove damaged and discolored leaves; hydrate and wash as needed.
Cabbage	Remove damaged and discolored leaves; trim stem ends, hydrate if needed.
Cauliflower	Trim leaves so flower is visible. Trim stem end and soak if cauliflower is getting soft; rewrap with plastic (if provided) and tape plastic closed.
Celery	Remove damaged and discolored stalks; trim butt end with pyramid cut and hydrate. Band if needed.
Corn	Remove outer discolored husks; cut silk from tip if they have started to rot and trim shank slightly.
Endive / escarole	Remove damaged and discolored leaves; do NOT trim. Hydrate as needed.
Leafy / head lettuce	Remove damaged leaves; trim stem slightly and band if needed. Hydrate as needed.
Leafy cooking greens	Trim stem slightly and hydrate as needed.
Leeks	Trim green end slightly at a diagonal so a point is formed; wash and hydrate if needed.
Loose beets / roots / fennel	Trim any stem remnants and hydrate as needed.
Green / spring onions	Remove damaged or discolored tops and trim tips slightly, hydrate as needed.
Herbs (except basil or cilantro with roots)	Remove any discolored leaves; trim ends slightly and hydrate as needed.  Do NOT soak basil.
Radicchio	Trim stem slightly and hydrate as needed.

# 1.6 Sample Cleaning Schedule

#### CLEANING SCHEDULE

Daily Cleaning Tasks Back of the House	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
AM / PM CREW							
PREP SINI	<						
PREP COUNTER							
PREP FLOOR							
FLOOR SINI							
CART							
COMMUNITY KNIVES							
WALK-IN FLOOR							
CRISPING TRAY							
CARDBOARD							
GARBAGI							
COMPOST							
RECYCLE							
FLOOR DRAINS							
Produce Floor							
AM / PM CREW							
FLOOR DRAINS	s						
SCALES							
SIGNAGI							
MIRROR:							
RUG							
SAMPLE DOMES	s						
FLOOR DRAINS	s						
Weekly Cleaning Projects							
VACUUM HARD VEC	3						
BASKET:							
TABLES							
CASI							
BUSHEL BASKETS FRUIT TABLI							
TABLE :							
TABLE 2					1		+
END CAP							1
END CAP 2	2						
WALK-IN COOLER							
FANS							
METRO RACKS							
FLOOR RACK	>						
Quarterly Deep Cleaning	Q1	Q2	Q3	Q4			
WET RACK		- Q2	α,5	۹-			
					7		

Quarterly Deep Cleaning	Q1	Q2	Q3	Q4
WET RACK				
SECTION 1				
SECTION 2				
SECTION 3				
DRY RACK				
SECTION 1				
SECTION 2				
SECTION 3				
TABLES				
TABLE 1				
TABLE 2				

Provided courtesy of:



# Why Organic?

#### ✓ Organic products meet stringent standards.

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#### ✓ Organic food tastes great!

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#### ✓ Organic production reduces health risks.

Many EPA-approved pesticides were registered long before extensive research linked these chemicals to cancer and other diseases. Organic agriculture is one way to prevent any more of these chemicals from getting into the air, earth and water that sustain us.

#### **✓** Organic farms respect our water resources.

The elimination of polluting chemicals and nitrogen leaching, done in combination with soil building, protects and conserves water resources.

#### ✓ Organic farmers build healthy soil.

Soil is the foundation of the food chain. The primary focus of organic farming is to use practices that build healthy soils.

#### ✓ Organic farmers work in harmony with nature.

Organic agriculture respects the balance demanded of a healthy ecosystem: wildlife is encouraged by including forage crops in rotation and by retaining fence rows, wetlands, and other natural areas.

#### **✓** Organic producers are leaders in innovative research.

Organic farmers have led the way with innovative on-farm research aimed at reducing pesticide use and minimizing agriculture's impact on the environment.

#### ✓ Organic producers strive to preserve diversity.

The loss of a large variety of species (biodiversity) is one of the most pressing environmental concerns. The good news is that many organic farmers and gardeners have been collecting and preserving seeds, and growing unusual varieties for decades.

#### ✓ Organic farming helps keep rural communities healthy.

Organic agriculture can be a lifeline for small farms because it offers an alternative market where sellers can command fair prices for crops.





# 1.8 Utilizing this Manual as a Training Tool

To make the most of this manual use the below checklist to track your training efforts for various members of your department.

Produce Clerk Training Topics	ASSIGNED	COMPLETED
Produce department goal		
Safety		
Receiving		
Storage		
Quality control		
Product preparation		
Product loss/shrink		
Signage		
Clean daily		
Compost/recycle		
Sampling		
Additional Buyer Training Topics	ASSIGNED	COMPLETED
Product ordering		
Understanding profitability		

#### **Suggested Produce Department meeting topics:**

- Adding value to the department
- Creating an enticing department through merchandising
- Understanding profitability

# 1.9 Printable Special Order Request Form

Special Order Request Form	Special Order Request Form					
DATE: DATE NEEDED:	DATE: DATE NEEDED:					
CUSTOMER NAME:	CUSTOMER NAME:					
PHONE OR EMAIL:	PHONE OR EMAIL:					
ITEM:	ITEM:					
QUANTITY:	QUANTITY:					
Special Order Request Form	Special Order Request Form					
DATE: DATE NEEDED:	DATE: DATE NEEDED:					
CUSTOMER NAME:	CUSTOMER NAME:					
PHONE OR EMAIL:	PHONE OR EMAIL:					
ITEM:	ITEM:					
QUANTITY:	QUANTITY:					
Special Order Request Form	Special Order Request Form					
DATE: DATE NEEDED:	DATE: DATE NEEDED:					
CUSTOMER NAME:	CUSTOMER NAME:					
PHONE OR EMAIL:	PHONE OR EMAIL:					
ITEM:	ITEM:					
QUANTITY:	QUANTITY:					
Special Order Request Form	Special Order Request Form					
DATE: DATE NEEDED:	DATE: DATE NEEDED:					
CUSTOMER NAME:	CUSTOMER NAME:					
PHONE OR EMAIL:	PHONE OR EMAIL:					
ITEM:	ITEM:					
QUANTITY:	QUANTITY:					

# Veritable Vegetable. Distinctly Different.

W envisions a sustainable food system that values the true costs associated with growing and moving food from farm to table. A system where farmers have access to land and receive fair payment for their labor; all workers are treated equitably; food is grown and moved with minimal impact to the environment; and all people have equal access to fresh, healthy foods.

Veritable Vegetable actively improves the sustainable food system by supporting organic farmers, increasing access to fresh produce, strengthening communities, and cultivating a fair and dynamic workplace.

#### What We Sell

We sell the highest quality organic fruits, vegetables, grains and beans, dairy (milk, yogurt, eggs, cheese), protein (tofu, ground beef), fresh juice, dried fruit, and tortillas. We also offer freight services to businesses along our routes.



#### **Our Growers**

We work with over 220 growers; each farm label is represented on our Availability List to emphasize unique farm quality and build grower recognition.







# Our Customers We help our customers build vibrant, healthy communities.

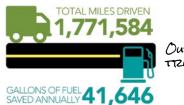


WE HAVE A BIZOAD CUSTOMETZBASE



#### **Our Green Fleet**

Our green fleet of hybrid trucks and reefers achieves near zero



OUTZ-HYBIZID TIZUCKS SAVE FUEL



#### **Our Experienced Drivers**

Our drivers have earned a reputation as reliable, friendly, and professional, as well as on time.



COMBINED YEARS **521** OF EXPERIENCE



Delivering organic. Driving change:

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