FREQUENT USERS HAPPY WITH THE SERVICE

A new study from Market Force International finds that food shoppers are increasingly filling their shopping carts online, with services such as click-and-collect pick-up and online ordering with home delivery both growing rapidly.

The use of click-and-collect has more than doubled in a year, with 9% of the more than 12,000 respondents now saying they have tried the idea (compared to just 4% last year) and of those that have tried it, 78% were satisfied with the experience. 26% of those who have tried it now call themselves frequent users, taking advantage of click-and-collect at least once a month. Results for home delivery hasn’t been quite as positive. While the idea is growing (18% this year versus 15% a year ago), Market Force reports about 20% of respondents were less than satisfied with the experience.

Meal kit delivery services have been growing in trials, but not getting strong reviews. 11% of respondents say they had tried a meal kit delivery service at least once, but nearly half--47%--say they were less than satisfied. As for reasons to try meal kits, more than half indicated the desire was based on trying to put variety into meal planning. But of those in the survey that tried it, 76% have already discontinued due to poor value, portion size and prep time.

Many other studies of supermarkets have found Publix and Wegmans to be customers' favorites, and this study confirmed that, each with a 77% score on Market Force's Customer Loyalty Index. Trader Joe's was right behind with a 76, followed by H-E-B (69) and Aldi (68). Walmart was at the very bottom with just a 31 score and its sibling Sam's Club was also near the bottom with a 49 (tied with Albertson and Meijer). Other food chains with lots to do to get customers to view them more favorably include Giant (43), Safeway (39) and Stop & Shop (38). The study was based on 23 chains; of course, there are other regional chains with not enough stores to register on a national survey that were not rated.

Although Publix led for many specific attributes, different stores took the lead when customers' favorites were focused on particular subjects. Aldi was seen as offering the best value for the customers' money, followed by WinCo Foods and Costco. Trader Joe's led for cashier courtesy, with Publix and Wegman's right behind, and Wegman's was a particular favorite for specialty department service, ahead of Publix and H-E-B. Publix was rated on top for three other attributes, fast checkouts, availability of items and ease of finding items.

ADVERTISER NEWS

The next retail bankruptcy filing turns out to be a supermarket, one that Supermarket News calls “a one-time icon of the supermarket industry.” Indiana-based Marsh (with 60 locations before closings began) has filed for Chapter 11 protection, the filing coming a few days after the chain announced it would close all remaining stores within two months if a buyer was not found. The next step is now a court-led auction of Marsh’s assets…. And problems continue for traditional department stores, with Nordstrom reporting comparable sales for the Nordstrom brand (including Nordstrom.com) falling 2.8%. Comps for the Nordstrom Rack brand, including online sales, were up 2.8%. Online sales have risen to 24% of total net sales…. And in a week where several retailers’ results were disappointing, J.C. Penney came in significantly worse than had been expected; total sales were down 3.5%. Trying to find some bright spots the company said the Sephora and salon departments had performed positively and results had improved after a very bad February……Automotive News reports Sonic Automotive is changing plans for the rollout of the Sonic One Experience no-haggle sales program it has been testing. Instead of the regional rollout plan originally conceived, the company’s 112 dealerships will switch on a brand-by-brand basis. The goal is to complete a sale in 45 minutes or less using one salesperson armed with an iPad. Sonic is the fifth ranked dealership group in the U.S. based on sales….West Coast regional favorite In-N-Out Burger hopes it can avoid the problems Chipotle went through two years ago—a unit of the chain in California has reopened after a norovirus scare. The suspected unit was cleaned and disinfected after reports some customers suffered gastroenteritis…..Pepsi is releasing a new limited edition Pepsi Fire as part of a multi-brand promotion involving Snapchat. Pepsi Fire is a cinnamon-flavored cola that will also be available as a slurpee at participating 7-Eleven stores…..Northeast c-store chain Cumberland Farms is breaking a TV campaign built around its Farmhouse Blend coffee saying “it’s offensive” to pay $3 for a cup of coffee somewhere else where you need to wait in line and then not be sure if they’ll even get your order right. The chain consists of almost 600 c-stores in eight states…. Not known yet if the idea will spread, but This Week In Consumer Electronics says Sprint is opening pop-up stores in Florida on top of several full-size showrooms slated to open in the Sunshine State. The minstores called Sprint Express are designed to “expand the company’s retail distribution presence as well as better reach and serve consumers in local communities.” The new units may be a replacement for the Radio Shack tie-in which did not work out as the retailer filed for bankruptcy for a second time.
CABLENET CHATTER

David S. Goyer’s Superman prequel Krypton has been picked up by Syfy. In addition, the network has picked up the graphic novel adaptation Happy! that will star Christopher Meloni. Syfy has also put in development the George R.R. Martin (Game of Thrones) novella Nightflyers. This is the second Martin literary property optioned by Syfy sibling Universal Cable Productions for a TV series. Martin is not involved in the project since he’s under an exclusive deal with HBO. Syfy will roll out a new look to advertisers during the NBCUniversal upfront presentation this week that includes a new logo and a new identity brand refresh just ahead of its 25th anniversary. The network is also expanding its news division Syfy Wire, and adding to its original programming slate. TruTV has renewed eight series for the 2017-18 season. Included in the renewals are Improactical Jokers for a second season, The Carbonaro Effect for a fourth season, Jon Glaser Loves Gear season two, a third season of Hack My Life and Comedy Knockout for a second season. The network also announced new series Laff Mob’s Laff Tracks, set to premiere this fall, joining previously announced At Home with Amy Sedaris, and the comedic anthology series Bobcat Goldthwait’s Misfits and Monsters. Other new projects for TruTV include a scripted comedy called I’m Sorry from Andrea Savage, and the recently-announced live call-in talk series The Chris Gethard Project, and a comedy from Austin Martinez, as well as End Time Girls Club from Rose Schlossberg, and False Advertising from The Kloons. USA Network has given a series order to Unsolved: The Murders of Tupac and the Notorious B.I.G. The scripted true-crime drama, which chronicles two major police investigations into the murders of Tupac Shakur and Christopher Wallace aka The Notorious B.I.G. is slated to air in the first quarter of 2018. The hour-long drama from Universal Cable Productions features newcomer Wavvy Jones as Wallace, Marc Rose as Shakur, Josh Duhamel as Detective Russell Poole and Bokeem Woodbine as Officer Daryn Dupree. Unsolved is written and produced by Kyle Long (Suits) and is based on the book Murder Rap: The Untold Story of Biggie Smalls and Tupac Shakur Murder Investigations. ESPN will air a new half-hour fantasy football show hosted by Mathew Berry on TV and online just ahead of the NFL season. The Fantasy Show will air Monday-Friday and will feature Berry analyzing the day’s news and developments. The show is scheduled to launch on August 1st on the ESPN App and WatchESPN digital platforms. That will lead up to the reprise of the 28-hour ESPN Fantasy Football Marathon airing August 14th and 15th across multiple programs on ESPN networks. The Fantasy Show will make its TV premiere on ESPN2 and will run through the rest of the NFL’s 2017-18 season. Berry and the rest of ESPN’s crew will continue to deliver content, including articles and columns, a daily hour-long podcast, and a Sunday morning show during the NFL season on ESPN2.

McDONALD’S TO FRANCHISEES: “LET’S UPGRADE”

After admitting to investors recently that it has lost 500 million visits in the last few years, McDonald’s is now urging franchisees to invest money in upgrading their restaurants. In a commitment letter sent to franchisees last week, Mickey D’s offered to pay 55% of the costs for upgrades such as self-order kiosks, upgraded dessert counters, table-locator technology to bring food to the customers’ table, and even uniforms worn by employees. The Wall Street Journal reports the deal is contingent on franchisees approving national advertising support of a new value menu of items at $1, $2, and $3 (reducing regional value meals) that it wants to debut next year. And if the offer does not get an okay from at least two-thirds of the more than 14,000 restaurants in the country, the deal is off.

ECONOMIC NEWS

With so many individual retailers posting notably poor sales results in the last few weeks, Friday’s release of sales data by the Commerce Department had been looked on as having unusual importance, and there’s some good news coming from that report. April retail sales were 0.4% better than March (yes, Easter may have been a factor) and were 4.5% better than April, 2016. And March, which had been originally estimated to have been down 0.2%, was revised upward to a slight gain over March, 2016, even though Easter had moved to April.

BUSINESS BYTES

Healthcare is a subject very much in the national conversation, but what about healthcare advertising (apart from heavy schedules from prescription drugs that often target older demos)? FierceHealthcare, utilizing data from iSpot.tv, notes that much of the advertising coming from healthcare providers now focuses on wellness and prevention rather than attempting to establish competitive advantages. It reports UnitedHealthcare was the biggest spender in the category last month with about $4.1 million spent on several different commercials, including some creative with appeal to demos as young as teenagers. Humana is estimated to have spent about $1.9 million, with ads about an “aspirational spin on wellness.” Kaiser Permanente is using Stephen Curry and wife Ayesha Curry as spokespeople highlighting good health habits. They invested about $1.1 million in advertising.

ACCOUNT ACTIONS

Chili’s Bar and Grill is parting ways with Hill Holiday, which has had the account since 2007. Adweek reports the chain now wants to shift away from the agency of record model and move towards hiring agencies on a per-project basis “to streamline its marketing budget moving forward.” Kantar Media estimates Chili’s spent $129 million on measured media last year.

ESPN IS LOSING SUBSCRIBERS

Maybe ESPN IS leaning left. Mediapost.com reports on a Deep Root Analytics report that says there were 5% fewer Republican-leaning viewers tuning in last year than in 2015. Other ESPN channels showed steeper declines: ESPN2 had 10% fewer of these voters, while ESPN News sank 36%; ESPN Deportes was down 27%; and ESPNU lost 12%.