



**AgEcon** SEARCH  
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

*The World's Largest Open Access Agricultural & Applied Economics Digital Library*

**This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.**

**Help ensure our sustainability.**

Give to AgEcon Search

AgEcon Search  
<http://ageconsearch.umn.edu>  
[aesearch@umn.edu](mailto:aesearch@umn.edu)

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

their stores, but well planned and executed advertising programs can do a lot more.

---

<sup>1</sup>Stephen Baker, "Supermarket Ads Must Change", Advertising Age, December 2, 1968, p. 98.

<sup>2</sup>Progressive Grocer, New York. February 1972, p. 30.

<sup>3</sup>One recent study, indicated that newspapers are the dominant medium, and the only medium used by all respondents. The median expenditure for newspaper advertising was 68% of the typical chain advertising budget. "Food Chain Advertising Expenditure Study", New York. Food Ad Bulletin, No. 5, January 1972.

\*\*\*\*\*

## WESTERN CONSUMERS' ATTITUDE TOWARD THE FOOD INDUSTRY

by  
Lanny Hernandez  
University of Southern California  
Los Angeles, California

---

Presents results of a survey of Southern California supermarket customers relating to such items as unit pricing, open code dating, and private label products.

---

The study was conducted at the request of the Western Association of Food Chains to determine how supermarket customers view the food industry. Particular emphasis was placed upon determining consumer knowledge and use of unit price information and open code dating, consumer knowledge and perceptions of private label products, and their recall of certain images.

The study was designed and conducted by twenty-nine students of the Food Marketing Management Program at the University of Southern California. Under the direction of Dr. James H. Stevenson, Professor of Marketing and Head of the Program, these students interviewed 1,018 California shoppers.

The sample plan was designed to give a geographically representative sample of Southern California shoppers. The respondents were interviewed as they entered their

local markets, and these market locations were chosen in approximate relation to the market share of each chain or independent.

### Results

Fifty percent of the consumers interviewed indicated that they shopped at two or more food stores during the previous week and that during that week, they averaged 2.5 shopping trips. Forty percent said that they shopped three or more times per week.

When questioned as to what should be improved in supermarkets to better satisfy consumers, those interviewed mentioned faster check-out and lower prices most often. In addition to quality meats, fresh produce and store location, low prices and fast check-out also were rated as important factors in selecting a supermarket. Consumers rated price per pound and fat content as the most important considerations when purchasing fresh meat.

The value of food coupons was investigated using three different questions. Sixty percent of those interviewed did not feel that "coupons represent an important savings . . . in food purchasing". Seventy

percent said they would not be influenced to shop at a conveniently located market which offered a "20 cents off" coupon. When three coupons were offered, 55% said they would be influenced. When grouped by income level, it was evident that respondents in lower income levels responded more positively to coupons than those in higher income groups.

The use of unit pricing and open code dating are two issues currently being debated by supermarket chains and consumer groups throughout the country. Forty-six percent of responding consumers could correctly interpret a unit price tag and sixty percent of those who understood unit price information used it in everyday shopping.

When presented with an example of open code dating, half of the consumers correctly identified the meaning of the date. More than one-quarter thought it was the date after which the product should not be used. Younger consumers proved to be more knowledgeable of the meaning of open code dating.

Regardless of their knowledge of the meaning of the date, only twelve percent of the respondents stated that they did not check for date codes on food products. Over eighty percent do check for date codes on dairy products.

Knowledge of the store manager's name was tested in this study. Only sixteen percent of those interviewed could correctly name the store manager. Variation in response to this question was noticeable from one chain to another. However, the highest correct percentage response for a chain was twenty-two percent, compared to a low of eight percent.

An area of growth in the food industry is the use of private label products. Fifty-seven percent of the respondents correctly identified the private label brand for the supermarket in which they were interviewed. When asked how the quality of private store brands compares with national brands, sixty percent rated private brands equal or higher.

\*\*\*\*\*

## FRESH SEAFOOD DISTRIBUTION

by

Don L. Long and Charles W. Coale  
Virginia Polytechnic Institute and State University  
Blacksburg, Virginia

---

Study focuses on the transportation problems in the distribution of fresh seafood in Virginia.

---

The fresh seafood industry of Virginia is an industry composed of numerous small volume firms operating in antiquated facilities and utilizing much the same work methods which have been practiced over the past 50 years. As a result, they are caught in a major cost-price squeeze. Individually sales volume per firm is small and each has little market power. On the cost side, firms

are faced with rising labor and material costs with again little individual power to influence them.

Fresh seafood distribution, so far as the Virginia industry is concerned, is a matter of "By guess and by God". Each processor operates pretty much in a vacuum in the areas of distribution and merchandising. Each finds his own distributors, each makes his own sales, each arranges for his own transportation, and each does his own promotion in so far as any is done.