



Market Forces

From local produce to in-store dining, fresh is driving Hy-Vee's Bloomington, Ill., beachhead. **By Jim Dudlicek**

Hy-Vee may be an institution throughout much of the Midwest, but in Bloomington, Ill., amid a sea of established competitors, the West Des Moines, Iowa-based grocer is the new kid on the block.

But within just a year of its opening, Hy-Vee's lone outpost in this central Illinois college town is a force to be reckoned with.

The 108,000-square-foot market — Hy-Vee's largest — created out of long-vacant retail space along a busy section of historic Route 66, is wowing shoppers with, among other things, a full-service Market Grille restau-

rant, complete with bar and outdoor dining; in-store chefs and cooking demonstration stations; an extensive beer and spirits department with a wine-tasting room; an emphasis on local produce; two in-store dietitians; a dedicated wellness department; and a drive-up pharmacy.

"Everything we're trying to promote is fresh," declares Andrew Cochran, Bloomington store director and a Hy-Vee employee since age 15. "The Bloomington Hy-Vee is designed to enhance the customer experience."

The Bloomington team includes six chefs, who start each day roaming the store with shopping carts, gathering ingredients and inspiration for their latest creations aimed at exciting and delighting Hy-Vee shoppers.



BLOOMINGTON TEAM

Back row, from left: Carrie Elliot, product manager; Tim Schwier, assistant manager, store operations; Andrew Cochran, store director; Tony Hazell, manager, perishables; Lexi Arndt, HR manager; Ashely Bigelow, restaurant manager. Front row, from left: Ryan Griffen, manager, general merchandise; and Roman Teig, produce manager.



FOOD FEST

Store Director Andrew Cochran guides PG Editor-in-Chief Jim Dudlicek through the extensive prepared food selections; the housewares department features cooking demos.



Winner Winner, Lunch or Dinner

Nailing the grocerant concept is important for any grocery store these days, but for this Hy-Vee store, it's a must. As Cochran notes, the Bloomington-Normal metropolitan area has the highest number of chain restaurants in the United States, so competition abounds for the dining-out dollar.

"Wednesday is our busiest day, with half-price sushi," Cochran says during *PG's* recent visit in the midst of the busy 11 a.m.-to-2 p.m. lunch period, with employees from nearby businesses like Country Financial and State Farm Insurance, along with midday shoppers, converging on the Market Grille, food court seating and grab-and-go counters.

The salad bar sees its heaviest traffic at lunch, Cochran says, noting that "in the morning, people stop on the way to work and get their salad for the day."

Dinnertime brings renewed bustle and excitement, from daily specials teaming family entrées with sides, to the Kitchen's "grand buffet" offering all you can eat for \$14.

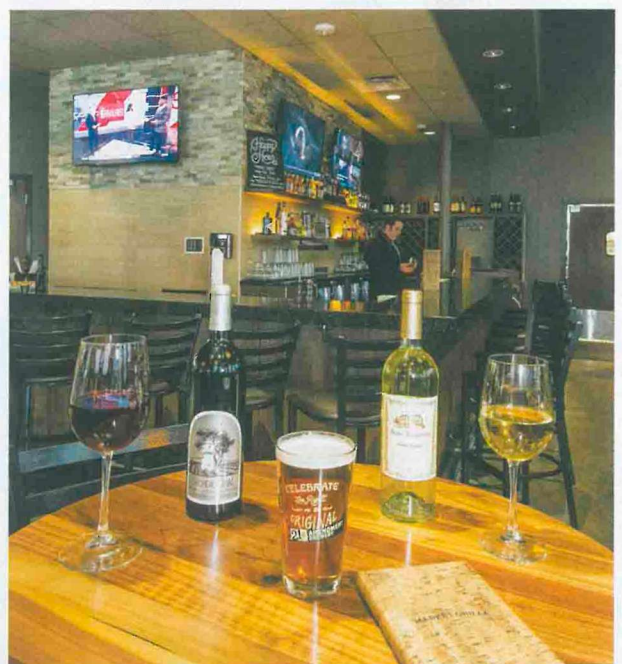
"Tonight, it's dinner for four; come in and feed your family," Cochran says, pointing to occasions like Sunday chicken dinner

specials and Wednesday pasta nights, for eating in or taking home.

The Market Grille offers a large casual-dining menu and a full bar in a contemporary atmosphere. Those looking to linger awhile can enjoy a pre-dinner cocktail before tucking into a signature appetizer like pepperoni pinwheels (a best-seller, according to Cochran, that's also sold at the pizza bar), followed by a chef-created entrée or gourmet

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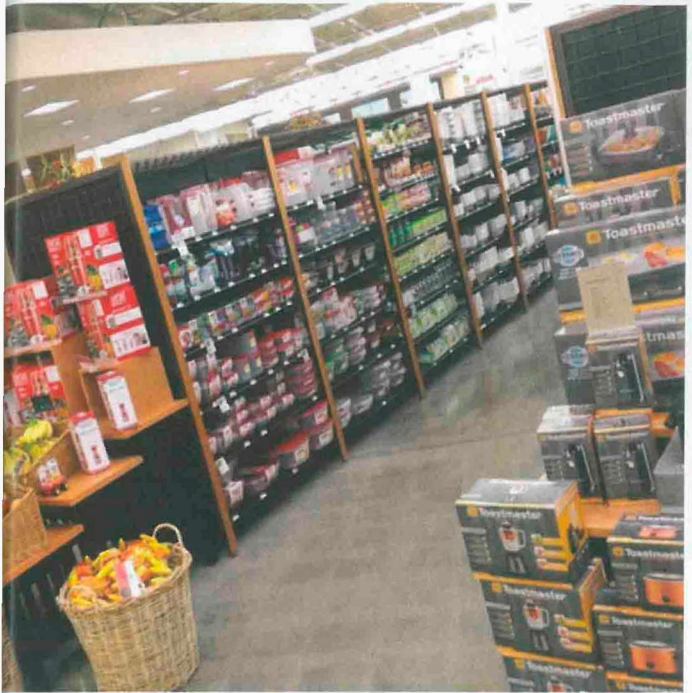
—Andrew Cochran, store director



ON TAP

The store's Market Grille features a full bar with a diverse selection of beers and wines.





burger, paired with a glass of wine. On Sundays, the Market Grille offers brunch from 9 a.m. to 2 p.m. at \$19.99 for adults and \$6 for kids.

“Customers lead busy lives, and the Hy-Vee Market Grille is just another way in which Hy-Vee can make our customers’ lives more convenient,” Cochran says. “We also allow customers an opportunity to sit and relax, or to quickly grab a meal and take it home through curbside pickup.”

Just outside the Market Grille entrance is the chef-staffed sushi station, the head end of a curving fresh-prepared counter that winds its way around the perimeter. Pizza is next, in traditional, thin and “Tuscano” crusts. The local favorite is the Redbird, topped with boneless hot wings and hot sauce; a portion of these sales is donated to hometown Illinois State University. There’s also take-and-bake pizza, plus ingredients for scratch pies merchandised in the same case.

Made-to-order deli sandwiches boast DiLusso meats — a sign urges shoppers to “get it toasted” — with grab-and-go sammies and salads also carrying this brand.

Soups are chef-made, frequently using odds and ends from other recipes. One example of this practice is barbecue soup, described by its creator as “summer in a bowl,” Cochran reveals. Fresh prepared leftovers and surpluses also often inspire the store’s Chef Creations entrée and side dish recipes, he explains.

Heat-and-eat selections include “mile-high” lasagna (“We can’t keep it on the shelf,” Cochran boasts), trays of enchiladas (“Pop it in the oven, and dinner’s done”), ribs and Asian entrées. This case is braced by

**RISING TIDE**

The store's scratch bakery has garnered a devoted community following for its artisan breads, rolls and pastries.

end caps featuring salsa and hummus on one end, and wings and mac and cheese on the other.

Also popular are deli trays featuring meats, cheeses and sandwiches. "On weekends, we can't keep them full," Cochran says, noting additional demand during football season. Hand-packed deli salads, made fresh every morning, are "huge in the summer with people going to barbecues," he notes.

Inspired chefs are key to the store's prepared food offerings, and each one brings unique talents and specialties. When he was interviewing chefs for the new store, Cochran asked one culinary candidate, "If you had to make one dish for me to hire you, what would it be?" Her answer was gumbo, and Hy-Vee containers of this rich soup at the Bloomington store now carry her name as its creator.



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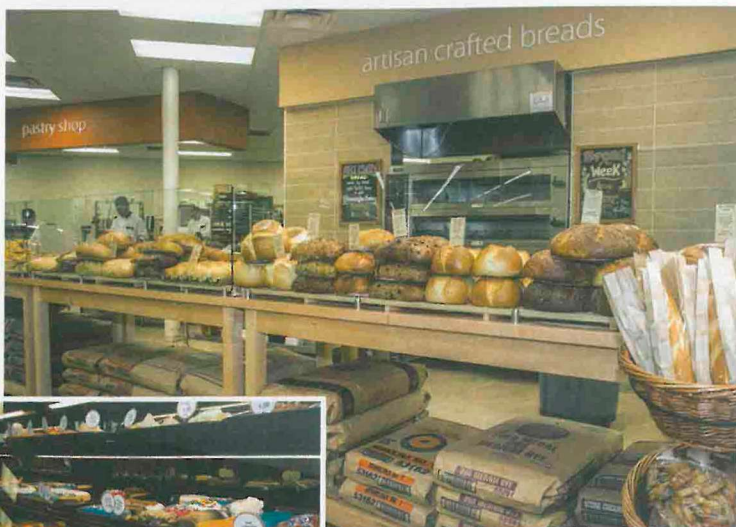
—Andrew Cochran, store director

The Wow Factor

"What sets us apart is the wall," Cochran says, pointing to a line of cases that breaks at a 90-degree angle bordering the fresh produce department. "We want that stocked up and running by 8 a.m. so our first shoppers get that experience."

That's after shoppers are hooked by the "wow" display at the front of the store. "It might be apples in fall or strawberries in summer," Cochran notes. On the day of PG's visit, it was a tropical fruit promotion featuring exotic gnarly Buddha's hand and boulder-size jackfruit.

According to Cochran, 12 percent of the store's



total produce sales are organics; the organic product count is posted daily. "We monitor that number a lot," he explains. "It's seasonal, based on what's available, but we try to offer all that's available to us."

The store has established good partnerships with local growers, who are invited to set up seasonal farmers' market-style booths outside the store to help grow shopper awareness. "There's a group of 12 farmers that come out and sell," Cochran says. "They come out and tell their story. People are willing to pay for that story — and when it's grown 5 miles from the store, it's even better."

Also featured in produce are Short Cuts — cut fruit and vegetables for convenience — and Next Step, featuring mixed cut-fresh veggies, each line designed to get shoppers "one step closer to cooking," Cochran says. Fresh-squeezed juices are another daily favorite, he adds: "People have really enjoyed that since we opened. How else to set the tone for fresh?"

Not by Bread Alone

While training new bakery associates in the lead-up to the store opening, Cochran recounts, the store generated a number of "training loaves" that it decided to give away. Despite the fact that they were baked as practice, he says, the bread turned out to be so good that people lined up outside the store to get it.

The Bloomington store's reputation for excellence in baked goods continues, with in-store bakers putting in long

**SEA CHANGE**

Hy-Vee's sustainable seafood policy has won the hearts of shoppers, who also enjoy the daily fresh selections offered by the Bloomington store.

hours to maintain high standards.

"We have a baker that works midnight to 8 to fill that case," Cochran says on a visit to the artisan bread department. Notes Julie Grote, the bakery manager, "All our breads start with a two-day starter, all from scratch." There are also five cake decorators on staff.

Over in the service deli, Hy-Vee's point of difference in merchandising is displaying sliced meats in the deli case, creating a bold visual display.

"It's a talking point with customers — we can hand samples over the counter," Cochran says, noting that shoppers can still get meats and cheeses sliced to order. "And it's not sitting there — it really turns, I'll tell you." Daily specials include a loaf of bakery bread for 99 cents with a 1-pound deli meat purchase.

A curated gourmet cheese department really gives this store an edge, according to Cochran: "In this town, it's a big point of difference. No one else has this."

Specialty varieties abound, with many random-weight items. Hy-Vee partners with gourmet cheese-makers for special promotions and exclusive offerings. "Sampling is key," Cochran asserts. "We want the show, so we buy whole wheels and cut them."

Surf and Turf

Culinary touches extend into the meat and seafood department.

Prominent at the seafood counter is the Chef's Grill, which will cook any seafood item for shoppers. This cooking station also hosts multicourse themed dinners with beverage pairings and dessert.

"We have whole fish coming in, and we'll slice it right here," Cochran says, noting the cutting table on the sales floor, flanked by two full-size rowboats filled with ice to merchandise product. Signage calls out Hy-Vee's corporate sustainable-seafood policy. Notes Cochran, "Consumers here really care about that, so it's a great talking point for us."

The full-service butcher shop features prime and dry-aged beef as well as an extensive selection of seasoned, marinated and value-added items. "It's what people want — there's not much they haven't gone for," Cochran says.

Sausages are made by a Hy-Vee manufacturing subsidiary, "but most of the flavors were created in-store," Cochran notes, naming pineapple bratwurst as a best-seller. The meat case includes heat-and-eat items created by in-store chefs and labeled as exclusive to the Bloomington store.

The cooking station in the upscale housewares department further taps into "our mission of culinary expertise," as Cochran calls it. "It's really done well since we opened. It's nice to be able to demo a product, and turn and say, 'Here's what you need to prepare it.' It's a nice tie-in."

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Store of the Month

Hy-Vee, Bloomington, Ill.



Bloomington Hy-Vee

1403 N. Veterans Parkway
Bloomington, IL 61704

Grand opening: March 10, 2015

Total square footage: 108,000

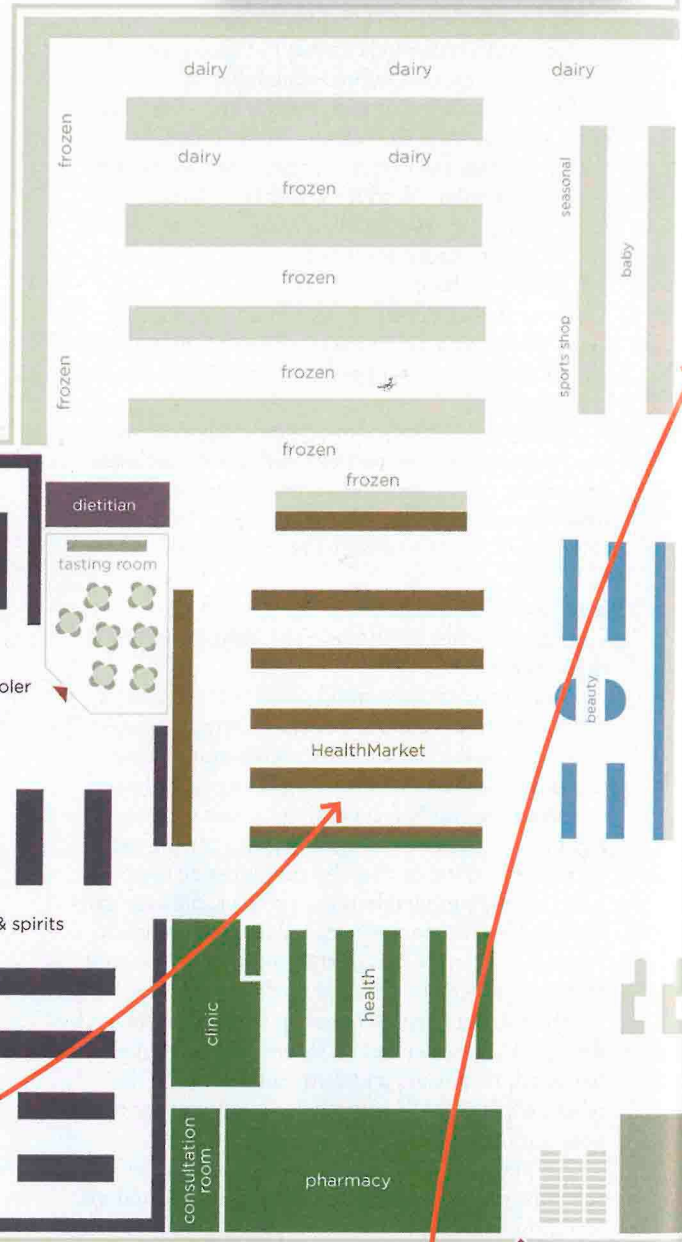
Number of Items: Nearly 55,000, including more than 9,200 specialty, 8,200 HealthMarket and 1,200 fresh produce SKUs (145 organic and 55 home-grown)

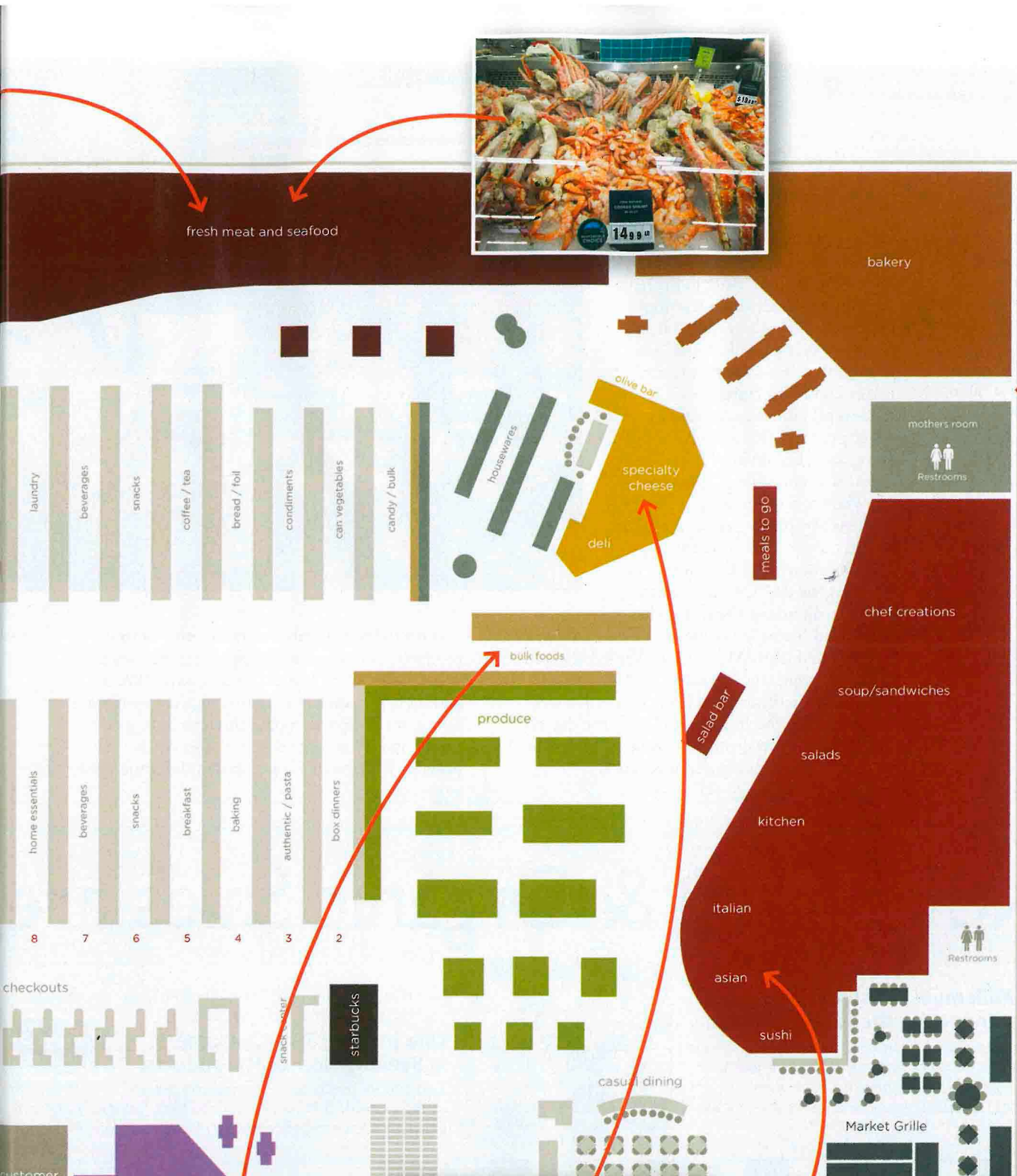
Employees: 514

Checkouts: 15

Hours: 24 hours a day, seven days a week

Designer: Hy-Vee Inc.





fresh meat and seafood

bakery

laundry

beverages

snacks

coffee / tea

bread / foil

condiments

can vegetables

candy / bulk

housewares

olive bar

specialty cheese

deli

mothers room

Restrooms

meals to go

chef creations

soup/sandwiches

salads

kitchen

italian

asian

sushi

Restrooms

home essentials

beverages

snacks

breakfast

baking

authentic / pasta

box dinners

bulk foods

produce

salad bar

checkouts

snacks water

starbucks

casual dining

Market Grille

customer service

floral





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WELLNESS WATCH

Store dietitians Dawn Blocklinger and Stefanie Djuvic share some of the “Dietitian’s Choice” products they recommend to shoppers.

Destinations

Nuts, grains and candies are popular choices in the store’s vast bulk food department. “Bulk foods have been a huge deal, and a learning experience,” Cochran says, observing what shoppers like best: “a lot of quinoa, a lot of couscous, trail mixes and dried fruit.”

Several bulk bins, as well as other products throughout the store, are labeled with “Dietitian’s Choice” stickers, demonstrating Hy-Vee’s commitment to wellness guidance by placing retail dietitians at every store. “We have two on-staff dietitians, and they add to everything we do,” Cochran affirms.

Store dietitians Dawn Blocklinger and Stefanie Djuvic are based in an office behind the HealthMarket, Hy-Vee’s dedicated better-for-you, free-from and wellness department. The dietitian team hosts numerous wellness events at the store and off-site; the day of PG’s visit, they welcomed a group of high school students for a cooking demonstration.



HealthMarket features organic and natural products, as well as an entirely gluten-free aisle. “This continues to grow,” Cochran says. “We’re adding items every week, based on what people are asking for. People shopping this area have specific needs, and it’s another element of service we can provide. It’s kind of a small spot in the corner, but

it’s a huge department for us.”

Nearby is the pharmacy, with an inside counter, outside drive-up window and space for a clinic expected to open in the future.

Interestingly, the path through the HealthMarket is also the gateway to the store’s wine and spirits shop, complete with a beer cave and a tasting room that hosts regular events. With its own outside entrance and dedicated checkstand, the spirits department will soon offer mixed 6-packs of craft beer.

The store has created another destination with its pet care section, a double-wide aisle with a center island and end caps featuring bulk pet treats and specialty products. “When we first opened, we were getting loads every day for the pet aisle,” Cochran recalls.

Customer Service

The Bloomington Hy-Vee was the third store in the company to offer Hy-Vee Aisles Online, the grocer’s online shopping service that includes click-and-collect as well as home delivery.

According to Cochran, Aisles Online has been a raging success, embraced by Bloomington shoppers. “By the third week we were opened, it was a department,” he says, “and now there’s six full-time people.”

Further amenities aimed at enhancing the shopper experience include floral design, dry cleaning, postal services, mothers’ rooms and electric car-charging stations.

Despite the store’s early and ongoing success, Cochran and his team continue to refine their mix of products and services to best meet their shoppers’ needs.

“When we first opened the Bloomington Hy-Vee store, we stocked it with nearly 55,000 items. In order to better serve our customers and the community, we have been working diligently to find out what specific products our customers want,” he explains. “Discovering these requests and stocking our store so that it is best tailored to the local community has been something we’ve been working to perfect over the past year.”

In the year since the store opened, it has stayed true to Hy-Vee’s mission of being a committed community partner.

“The store has been very involved with nonprofit organizations such as the Midwest Food Bank and Home Sweet Home Ministries, as well as sponsorships with local high schools and Illinois State University,” Cochran notes. “The response and acceptance within the Bloomington community has been by far the most rewarding aspect of opening a store in this town.” PG

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