

# The Right Fit

## Facility considerations for your co-op

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*Note: This is the conclusion of a three-part series by Debbie Suassuna on store site analysis. Previous CG issues featured Part 1, "Location, Location, Location," in #154, May–June 2011; and Part 2, "Finding the Right Site," in #155, July–August 2011.*

**T**here are a number of characteristics that can add to or detract from a natural food co-op store's opportunity for success. We've covered location and site characteristics to be considered in planning a natural foods co-op store. This article discusses facility characteristics: size and shape of the facility, its layout on the site, and the type, size, and proximity of retail coterenants.

The size of the facility is something that is specific to the type of store and the format to be operated, the image to be conveyed, and the expected level of sales. Specialty stores are generally smaller than mass merchandisers, just as natural foods co-op stores are usually smaller than full-line conventional supermarkets.

The shape of a store facility should be governed by its merchandising thrust and operational characteristics. In some types of retail stores, a relatively long and somewhat narrow sales area may be appropriate, while in others a sales area that is closer to being square might be better. In a few cases, existing co-ops have been primarily motivated to expand or reset their store in order to make it more "shop-pable" for their customers, rather than to increase their product assortment.

For example, Hendersonville Community Co-op (Hendersonville, N.C.) realigned and lengthened its aisles and moved its cash registers in order to improve the customer traffic flow within its store. Hunger Mountain Co-op (Montpelier, Vt.) chose to expand its store in order to add cash registers, reduce in-store "crowding," and improve its back room space. The result is a uniquely designed sales floor that actually encourages its customers to linger inside the store longer than they did before the store's expansion.

A store's layout on the site can depend upon the type of retail development that exists. A free-standing store is generally positioned somewhat back from the frontage street, in order to maximize its visibility from the street and so that its parking can be in front of the store, rather than beside or behind it. When the store is situated in a shopping center, its location within the retail strip should depend on the type of store it is and on whether or not it is a



ILLUSTRATION BY KEN DAVIS

major anchor tenant. Generally speaking, anchor tenants should be separated from one another by smaller tenants, so that adequate parking can be provided for each. If several anchor tenants are situated too close together, there could be excessive demand on the parking available for each of the anchor stores.

In any event, stores should be positioned on the site in a fashion that maximizes their visibility from the frontage street, should be readily accessible from the ingress/egress points, and should be close to available parking.

A retail store can benefit greatly from being located in an area where there is a significant amount of retail synergy. Such synergy can be enhanced by other retailers that have shared characteristics:

- similar images (in terms of quality, selection, price, value)
- similar demographic appeals
- similar merchandise types (convenience goods, shopping goods, specialty goods).

A natural foods co-op store that has a bookstore, coffee shop, artisan bakery, office supply store, or other upscale specialty stores either in the same shopping center or in close proximity can derive significant benefit from the traffic generated by these other retailers. On the other hand, being in a retail development with a mix of stores that has a very different demographic appeal may actually

prove to be counterproductive to the natural foods co-op store.

Similarly, there are certain types of shopping center co-tenants that, while drawing shoppers to the site, may actually hurt a natural foods co-op in regard to its parking. For example, such tenants as multiscreen cinemas, fine-dining establishments, bowling alleys, certain professional offices (doctor, dentist, etc.), and other tenants typically have customers who tend to park for long periods of time. To the extent that such co-tenants are in relatively close proximity to the natural foods co-op store, its parking lot may become filled with customers of the other tenants, thereby limiting the parking for the food store shoppers.

In some cases, a natural foods co-op store occupies a free-standing building that is located in a downtown area—for example, Berkshire Co-op Market (Great Barrington, Mass.). Despite having its own "off-street" parking lot, co-op management must be vigilant about monitoring the store's parking lot for people who park in the co-op's lot but walk into town to shop/visit other businesses or attend town events.

In summary, while sometimes overlooked, facility characteristics such as size, shape, layout on the site, and the type and location of co-tenants can significantly enhance or limit a natural foods co-op store's performance. The evaluation of a location needs to be made in light of these characteristics, just as it should be evaluated in terms of its site and location characteristics. ■