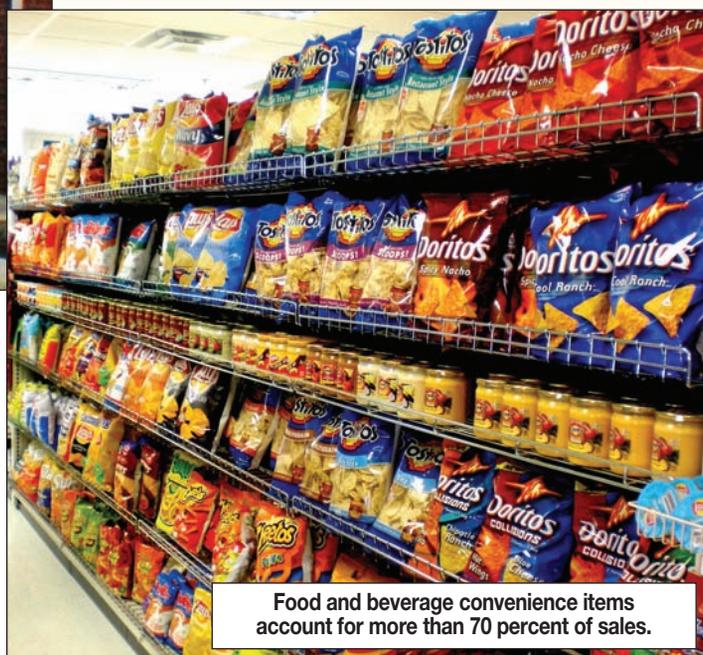


MCB Quantico, Va., Marine Mart

Catering To Its Corps Clientele



The MCB Quantico, Va., Marine Mart, which generated \$2.85 million in sales during fiscal 2008, was remodeled during that year to MCX's "on-brand" standards.



Food and beverage convenience items account for more than 70 percent of sales.

The MCB Quantico, Va., Marine Mart has recently been transformed in line with the Marine Corps Exchanges (MCX) brand image and design standards for Marine Marts that made their debut at the Elmore Exchange at Camp Allen, Norfolk, Va. in November 2005. The remodeled stand-alone 6,125-sq.-ft. store provides goods and services to approximately 1,500 Marines living in adjacent barracks and in nearby family housing, as well as military personnel living and/or working in the vicinity of the facility.

"We have taken our branding initiatives from our main store and translated them into our Marine Marts," said Retail Store Coordinator Mary Walls, who is based at headquarters. "We have upgraded our interior finishes to include floors, walls and ceilings. Staying consistent with wider aisles and brighter lighting has enhanced the patrons' shopping experience. Our center-style entry feature has become synonymous with our new MCXs."

Store improvements that were part of the renovation included what is known as a "center corral cash wrap" which is a centrally located checkout area, and a bank of coolers — known as "reefers" — which line the perimeter walls.

SALES ACTIVITY

During renovation, which began in June and was completed in September 2008, Walls said a reduced assortment was offered in the store in a much smaller space, and sales suffered. However, since the grand opening, Walls said the Marine Mart has shown "steady" sales growth. She said that during the months

right after the grand opening, sales were up 16.1 percent compared to those same months a year earlier. This helped the store to record a 3.2-percent sales increase during fiscal 2008, based on sales volume of \$2.85 million.

Walls said strong sales have continued into fiscal 2009. Through March, the Marine Mart has registered \$480,556 in activity, a 27.2-percent jump from prior year.

The newly renovated venue has enabled store management — Cedric Overton, the installation's general operations manager (branch stores) and Alex Scroggins, the Marine Mart store manager — to include new and expanded areas which are generating much foot traffic and increased sales.

"The addition of a food bar in the back of the store and a wider assortment of Grab-N-Go items have proven to be a successful strategy," Walls explained. "The food bar offers a variety of fountain drinks, specialty coffees, teas, breakfast items, roller meats, Isee, and nachos. Open-air coolers provide a selection of prepared salads and sandwiches for a quick meal."

STORE ASSORTMENT

The store's assortment focuses on food and beverage convenience items, which Walls said account for more than 70 percent of sales. Other categories carried in the Marine Mart include health and beauty aids (HBA); cleaning; hardware; automotive; uniforms; logo; and pre-recorded items.

"These assortments are focused on the top-selling items within each category for our 'on-the-go' patron," she said.

The Marine Mart's top-selling brands include Phillip Morris, Budweiser, Corona, Monster, Red Bull, Pepsi, Nestlé, Hershey's, Mars and Clif Bar.

"Most of these items appeal to young Marines — 18-24 years old — living in the nearby barracks," Walls said, pointing to the popularity of the Grab-N-Go items, "which are convenient and require no preparation, which is a huge selling point to our young Marines."

BEVERAGES

Looking at specific parts of the store's assortment, Walls said, "Beverages represent the No.-1 sales volume generator in the store with beer, wine and spirits historically accounting for 50 percent of this overall volume." She added that sales of these

items are expected to grow "as a result of the current economic climate with fewer people dining out and entertaining more at home."

Bud Lite is among the top-selling beers, placing the top three items on the beer list: 24-pack, 12 oz. double-stack cans, 20-pack, 12 oz. non-returnable bottles, and 24-pack, 12 oz. cans (two 12-packs).

Corona Extra comes in next with its 12-pack, 12 oz. cans, followed by another Bud Lite SKU, 18-pack cans.

The Monster energy drink brand tops the store's soda/energy drink category, with Walls reporting that the 16-oz. can and Mega Energy 24-oz. can top the sales list.

Red Bull 16.9-oz. single is next, followed by the top-selling soda in the assortment, Mountain Dew 20-oz. non-returnable bottle. Another Monster variety, the Low Carb 24-oz. can, comes in at No. 5.

CANDY, TOBACCO

Walls said that the McLane Co. services all of the store's candy and tobacco products along with a portion of grocery and frozen foods. "They offer a wide variety of best-selling SKUs which meet our customers' needs and ensure we are always in stock on these important items," she explained.

The executive added that as of late April, McLane services all MCX commands except MCB Camp Pendleton, Calif., MCAS Cherry Point, N.C., MCBH Kaneohe Bay, Hawaii (MCB Hawaii) and MCAS Iwakuni, Japan. "There are no specific additional roll-out dates at this time," she said. "However, the goal is to make McLane our primary source of distribution for all candy and tobacco."

In candy, Walls said that Snickers tops the store's sales list, with single and king size SKUs being the sales leaders. Three single-serve candies — M&M's Peanut, Reese's Peanut Butter Cup, and Twix — follow.

—Continued



A food bar in the rear of the Marine Mart has proven to be a popular destination for Marines living in nearby barracks and family housing.

Walls said the sales leader in smokeless tobacco is Copenhagen, with its Long Cut and Fine Cut topping the sales list. Grizzly Long Cut Wintergreen, Skoal Long Cut Straight, and Kodiak Wintergreen, are next.

SPORTS NUTRITION

“The sports nutrition category continues to experience tremendous growth Corps-wide,” Walls said.

Fiscal 2008 sales at this Marine Mart were \$64,417, and the store’s top-selling brands included PowerBars, Clif Bars, Muscle Milk and Hydroxycut. “As a healthy alternative to other less nutritious snacks and drinks, our customers’ level of acceptance to these products is very high,” she said.

Walls reported that the Xyience Energy Cran-Razz 16-oz. supplement is the top-selling sports nutrition item in the assortment, followed by three bars: Nestlé Triple Threat, Clif Bar Crunchy Peanut Butter and Clif Bar Chocolate Chip.

NEW ITEMS

The Marine Mart carries both traditional and newer items in its assortment.

As far as newer items are concerned, in candy, Walls said Hershey’s is introducing “Dark Reese’s” and Mars is introducing coconut M&M’s for a fall promotion.



A soda display at the MCB Quantico Marine Mart. Younger Marines are the focus of many of the store’s promotions.

In groceries, ConAgra is introducing new flavors of the Healthy Choice “Fresh Mixers” shelf-stable meals, such as Tuscan Style Chicken and Sweet Hickory BBQ Chicken.

“Our grocery planograms are now approximately 85 percent shelf stable/ready-to-eat (RTE) meals, with remaining space dedicated to coffee, tea, powdered drinks, and condiments,” Walls explained. “We constantly cater our assortments to meet the needs of our ‘on the go’ patrons.”

In HBA, Unilever introduced the AXE Detailer last year. “This item has been a huge seller in MCX Marine Marts Corps-wide, selling over 10,000 units in the first five months,” she reported.

Addressing the trend for “bolder” flavors in snacks, Walls said Thanasi Foods is introducing BIGS sunflower seeds in Ranch, Vlastic Pickle, Sizzlin’ Bacon, Buffalo Wing and Original fla-

vors. “We expect these to start shipping the week of Memorial Day — Monday, May 25 — to kick off sunflower seed season,” she said.

PROMOTIONS

Promotions help to spark interest in the store and in its highlighted categories. Walls said that during the Marine Mart grand opening, there were several “enter

to win” contests, and an appearance by television personality “Wee-Man,” which was tied into Monster Energy Drinks.

Current promotional campaigns, which target younger Marines, feature Monster, Quiksilver, and Affliction, she said.

FUTURE PLANS

With the Marine Mart recording double-digit sales increases into fiscal 2009, the store is looking to cater even more to its on-the-go clientele.

As a result of the high level of foot traffic during lunch hours, there are plans to have a new, larger Subway inside the store to service the lunch crowd, Walls said.

—E&C News

MCB QUANTICO, VA., MARINE MART AT-A-GLANCE

Grand Opening (after renovation): September 2008
Size: 6,125 sq. ft.
Sales: Fiscal 2007: \$2.76 million
Fiscal 2008: \$2.85 million
Fiscal 2009: \$480,556
(through March 2009)

Key Personnel—
MCB Quantico General Operations
Manager (Branch Stores) Cedric Overton
MCB Quantico Marine Mart
Store Manager Alex Scroggins

Source: MCX