

**FOOD
MARKETING
IN
LOW INCOME
AREAS**

COOPERATIVE EXTENSION SERVICE
THE OHIO STATE UNIVERSITY

FOOD MARKETING IN LOW INCOME AREAS: A REVIEW
OF PAST FINDINGS AND A CASE ANALYSIS IN COLUMBUS, OHIO

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PREFACE

The research which this bulletin summarizes was financed by the College of Agriculture, The Ohio State University, and constitutes part of the effort by the University to study and assist the City of Columbus on the problems of the poor. Dr. Samuel Stellman, previously in the School of Social Work, The Ohio State University, was instrumental in the initiation phase of the project. COMACAO, a community action organization in Columbus, provided valuable assistance in interviewing consumers in the Model City area, for which the authors are sincerely grateful. Appreciation is also expressed to Robert Vance and the Animal Science Department of The Ohio State University for conducting the meat valuation phase of the study.

Like politics and religion, the problems of the poor are emotion laden and present a significant challenge to objective research. This study, while not attempting to examine the problems of the poor in total, represents a conscientious effort to analyze objectively food marketing in a low income area of Columbus in a comprehensive fashion. The authors hope that the facts and findings presented will provide a useful base from which to consider needed public policies and/or programs to help alleviate the problems of the poor in America.

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SUMMARY

Food purchases require a large portion of the dollars available for family spending--from around 20 percent for the family with more than \$10,000 annual income to as much as 50 percent for the family with less than \$2,000 coming in annually. Available food market facilities, pricing policies, selection and quality of merchandise in the market, as well as family characteristics and shopping skill, all affect the portion of income spent for food. Because of the critical position of food in the budget of the poor, and because of the frequent allegations of unethical practices by food retailers serving the poor, a case analysis was made of the Model City area of Columbus, Ohio. The study included an examination of consumer shopping behavior, and analysis of prices and perishable quality in 12 supermarkets and seven neighborhood stores.

Half of the 136 food shoppers interviewed, who live in the Model City area, said they did their major shopping at supermarkets within the area. More than one-third, however, travel to markets outside the area for major shopping trips. Corporate chain stores were the source of "most" of the food purchases for two-thirds of the consumers studied, while independent stores were more important as supplemental sources. More than half of the respondents traveled over one mile to make their major food purchases.

Quality, convenience and price were by far the most important reasons given for selecting certain stores in which to shop. As might be expected, convenience was more important to those consumers who walked to do their shopping. Only 8 percent of those interviewed made use of federal food stamps.

Consumers were asked to rate stores with which they were familiar on 14 different characteristics. When their ratings on prices were compared with the findings of the pricing phase of the study, they were found to be rather accurate in their appraisal for six of nine stores rated. There was some evidence of a "halo" effect in the consumer ratings in which the ratings of individual characteristics (price, meat, etc.) appeared to be influenced by the overall image of certain stores.

When the cost of a 28-item market basket was compared in six supermarkets within the Model City and six supermarkets "outside" during the seven pricing observations, one "inside" market and two "outside" markets were found to be significantly lower in cost than the other nine supermarkets. In two chains, the Model City stores were significantly lower in price than their suburban counterparts. Only in the case of one of the affiliated independents was the suburban store found to be lower in market basket cost.

There were no indications in the data collected that prices were increased at the time that welfare checks were issued. Three observations were made at that time of the month.

Subjective evaluations of sanitation, packaging, and display in meat departments indicated few differences between the chain stores inside and outside the area. The two medium-sized affiliated stores in the Model City were found to have lower levels of sanitation and quality maintenance in the meat and produce departments.

Costs of a 15-item market basket were checked in seven neighborhood stores, and were found to average 8 percent higher than a similar basket in the six Model City supermarkets. However, a wide range in market basket cost was noted in the neighborhood stores; only one was competitive with some of the larger stores.

Problems of poor sanitation and of inferior meat and produce quality were much more apparent in the neighborhood stores than in the supermarkets studied.

The study results suggest that policies to encourage the establishment of more modern and efficient food stores in the Model City may be more effective in meeting the food shopping needs of the residents than activities aimed at stopping alleged discrimination. While more rigorous enforcement of health regulations is needed, evidence of discriminatory pricing was lacking. The greatest need appears to be for the establishment of a greater number of modern, medium-sized superettes--geographically distributed throughout the area--to provide more of the residents with a readily accessible, competitive and satisfactory source of food.

INTRODUCTION

The "war on poverty" has focused predominantly on education, job training, and the creation of new jobs. Nearly all of these efforts have been designed to increase the income of the poor. However, the ability to earn an adequate income deals with only one side of the economic plight of low income Americans. How these people spend the incomes they receive, and the quality and cost of goods and services they purchase, is another part of the poverty problem. If, in fact, the poor do pay more for the goods and services they buy, their limited incomes are reduced even further.

Do the Poor Pay More?

The phrase, "the poor pay more," was first given validation by a sociologist at Columbia University, David Caplovitz, in a book by that name.¹ Caplovitz's study concentrated mainly on the evils of installment buying and credit. His work dispelled any popular myth that the poor are not a good market for costly merchandise. For example, 95 percent of the families in a New York City housing project studied "owned" at least one television set. Forty percent of these TV sets

¹David Caplovitz, The Poor Pay More (New York: The Free Press of Glencoe, 1963).

cost over \$300 (even before the days of living color). Two-thirds of the people owned phonographs, half had sewing machines, and half had automatic washers.² The poor, then, do have major durables, but in the process of acquiring them, they fall victim to the advertising slogans, "no money down, easy payments, and years to pay." As a consequence, Caplovitz indicates, many of these people find themselves in a vicious spiral of exorbitant markups, high and hidden credit charges, and increasing indebtedness.

If the poverty dweller is such easy prey for the seller of these hard luxury goods, how does he fare in purchasing the necessities of life; in particular, food? The cry from the ghettos around the country is that the poor do, indeed, pay more for food. Moreover, they not only pay more for the same quantity, but in many instances for inferior quality. This report examines some of these accusations in light of several studies of food marketing in ghetto areas--and, in particular, a recent comprehensive study in Columbus, Ohio.

Food Expenditures in the United States

Prior to outlining the allegations regarding food prices and shopping conditions in low income areas, a look at expenditures for food by income level in the United States is in order. While the central issue

²Ibid.

under consideration in this report is whether the poor pay more for the same food, another factor is how much various income groups spend for food.

Engel's Law states that as family income increases, the expenditure for food increases absolutely, but proportionally less than the increase in income.³ The data in Table 1 provide strong support for this law, as have other studies. Column 3 shows a monotonic increase in the amount spent for food per person as income increases. The highest income levels spend more than twice as much for food per person as the lower income groups. This reflects some increase in the quantity consumed and the purchasing of more expensive, better quality, more highly processed products.⁴

Column 7 of Table 1 indicates that even though the higher income groups spend more absolutely for food, the poor spend a much larger percentage of their income. Food is obviously a much more critical factor in the budget of the poor.⁵ This was part of the picture being described

³Paul A. Samuelson, Economics: An Introductory Analysis (New York: McGraw-Hill Book Company, Inc., 1958), p. 163.

⁴Another study by the U. S. Department of Agriculture found that for all income groups, food purchases tend to expand as incomes increase. However, the low income families whose incomes increase expand food purchases more percentage wise than do high income families; i.e., they have a higher income elasticity of demand. This is true not only in terms of value of food purchased but also in terms of quantity purchased. See Income and Household Size: Their Effects on Food Consumption, Marketing Research Report No. 340 (Washington, D. C.: Agricultural Marketing Service, Marketing Research Division, U.S.D.A., June, 1959).

⁵It should be pointed out that the figures in Table 1 are averages, and as such run the ever present risk of concealment and distortion. For example, the average family size on which the expenditures for food are based is 3.01--for the income category \$2000-\$2999. A larger family; i.e., four or more, with this income would very likely spend a higher percentage of their income for food than the 44 percent shown in Table 1.

Table 1. Money Value of Food Consumed in the United States by Income Level

Money Income After Taxes in 1964 (1)	House- hold Size (2)	Total Value Per Week (3)	Value Per Week Per Person (3) ÷ (2) (4)	Value Per Week Actually Purchased* (5)	Value Per Year (5) x 52 (6)	Percent Of Income Used to Purchase Food** (6) ÷ (1) (7)
Under 1,000	2.23	\$15.76	\$ 7.07	\$12.83	\$ 667.16	83.4
1,000-1,999	2.31	17.34	7.51	14.73	765.96	51.1
2,000-2,999	3.01	23.87	7.93	21.16	1100.32	44.0
3,000-3,999	3.36	28.25	8.41	25.73	1337.96	38.2
4,000-4,999	3.41	32.06	9.40	29.94	1556.88	34.6
5,000-5,999	3.48	35.55	10.22	33.84	1759.68	32.0
6,000-6,999	3.72	40.04	10.76	38.10	1981.20	30.5
7,000-7,999	3.60	42.33	11.76	40.90	2126.80	28.4
8,000-8,999	3.68	43.41	11.80	42.01	2184.52	25.7
9,000-9,999	3.48	44.05	12.66	42.92	2233.92	23.5
10,000-14,999	3.57	50.65	14.19	49.22	2559.44	20.5
15,000 & Over	3.84	64.97	16.92	62.87	3269.24	19.2

Source: Adapted from Food Consumption of Households in the United States, U.S. Department of Agriculture, Agricultural Research Service, Household Food Consumption Survey, 1965-66, Report No. 1, Spring 1965, p. 7.

*Includes value of food (meals and snacks) purchased from all sources such as restaurants, food stores, home delivery, etc. Includes value of alcoholic beverages consumed at home, but excludes value of non-food items purchased in food stores. Excludes food not purchased, such as home produced, donated, or received as a gift or pay.

**Mid-point of income category is taken as quotient; e.g., \$1,500 except for under \$1,000 where \$800 was used, and \$15,000 and over where \$17,000 was used.

by the Kerner Report when it found the poor's fixed costs of living were extremely high. The plight of the poverty stricken begins to come into focus when food expenditure figures are coupled with Caplovitz's findings on purchases of major durables, and with other reports such as one indicating that the poor pay as much as 35 percent of their incomes for rent.⁶

Food Prices and Poor People

Charges that the poor pay more for items in stores to which they have access compared to similar items in other stores take on added significance in light of this discussion. These charges were vividly presented by a number of low income shoppers in testimony before a Congressional committee.⁷ Hearings were held in Washington, D. C., New York, and St. Louis; and the same allegations recurred throughout the 350 pages of testimony. While the arguments can be summed up by saying the poor pay more for food, more specific charges were presented.

⁶Report of the National Advisory Commission on Civil Disorders, Kerner Report (New York: Bantam Books, Inc., 1968), pp. 470-471.

⁷Consumer Problems of the Poor: Supermarket Operations in Low Income Areas and the Federal Response, Hearings before a subcommittee of the Committee on Government Operations, House of Representatives, Ninetieth Congress, Second Session, October 12, November 24, and November 25, 1967 (Washington, D. C.: U. S. Government Printing Office, 1968).

For example, it was alleged that some identical items were priced higher in low income area stores compared to stores of the same chain in other areas. The quality of perishables--meat and produce--was held to be inferior in the poor areas. It was even suggested that items unsold in high income areas and no longer fresh were moved to stores in the ghetto. The witnesses cited problems in purchasing advertised specials; for example, the customer was limited to such small quantities as to make the effort of purchasing the item wasted, or the special items were sold out and a more expensive item was suggested as a substitute. Store owners were also accused of raising prices at the time that welfare checks were issued in order to capitalize on the poor's temporary "affluence." These special prices are known as "Mother's Day" specials, since much of the money comes through dependent children funds or designations. Finally, the appearance and sanitary conditions in the ghetto stores came under fire repeatedly.⁸

Food Retailing Practices and Urban Unrest--Are They Related?

There seems to be a definite relationship between the above charges with regard to food retailing practices and riots and demonstrations in ghetto areas. The most direct contact between the poor and the business world--the predominantly white, capitalistic system--is the retail store,

⁸Ibid., pp. 1-2, for references to newspaper articles showing food prices are a major complaint of the ghetto resident.

and the most frequent contact is with the retail food store. It has been noted that consumers in general are critical of food prices, even though food prices have risen proportionally less than other items, precisely because of the frequency of contact with the food store. It would seem that the ghetto resident has even more reason to be disturbed by food prices and retailing practices, given the amount of his income that goes for food and the alleged over-charging that is believed to take place. Many of the specific charges outlined above have appeared in reports of violence in the major cities. The Kerner Commission found discriminatory consumer and credit practices to be one of the specific grievances of the ghetto resident leading to riots.⁹

In April 1967, 15 Negroes were arrested in Newark for picketing a grocery store for selling bad meat and engaging in unethical welfare credit practices. This was described by the Kerner Commission as an incident precipitating the Newark riot.¹⁰ Aside from this occurrence, Negro activists lay part of the blame for the riot on food store operators who are "fleecing the people blind....it is well known that prices go up on welfare paydays and that bills are padded on credit accounts."¹¹ Small, independent groceries, known as "Mom and Pops," were a prime target

⁹Report of the National Advisory Commission, op. cit., p. 8.

¹⁰Ibid., p. 119.

¹¹"The Inner City," Food Topics (October, 1967), p. 24.

for violence in the Newark riot, while five supermarkets in the area known for their low prices were essentially undamaged. This example of selective violence reflects Rap Brown's statement that you don't have to tell rioters where and what to burn.¹²

A vengeance pattern is also suggested in the 1965 Watts riot. Of the 600 buildings burned, over 95 percent were retail stores, primarily food stores, liquor stores, and pawn shops.¹³ Similar findings are suggested by observers of the 1967 Detroit riot.¹⁴

Complicating this economically tense relationship between ghetto dwellers and merchants is the attitude of the latter. In findings published as a supplementary report in July, 1968, the Kerner Commission found the slum retailer "cynical, discriminating, ready to make a fast buck, yet thoroughly distrusting his black clientele." Many of these ghetto businessmen felt that prices should be higher to cover the costs of vandalism and violence.¹⁵

FINDINGS OF OTHER STUDIES

National Commission on Food Marketing

One of the first large-scale studies investigating the charges of food price discrimination against the poor was conducted in February, 1966,

¹²Ibid., pp. 24-25.

¹³Violence in the City: An End or a Beginning, Governor's Commission on the Los Angeles Riots (Los Angeles: December, 1965), pp. 23-24.

¹⁴Food Topics, op.cit., p. 21.

¹⁵Supplementary Report of the National Commission on Civil Disorders, July, 1968, reported in "White Ghetto Merchant Perched Atop Volcano," Supermarket News (Monday, July 29, 1968).

by the Bureau of Labor Statistics for the National Commission on Food Marketing.¹⁶ Prices on food items used in low income homes were collected in 30 stores in each of six cities: Atlanta, Chicago, Houston, Los Angeles, New York, and Washington, D. C. Prices in 15 food stores in low income tracts (annual median incomes in lowest quartile for city) were compared to 15 stores in higher income tracts.

The study revealed no significant difference in prices in the two areas when type of store (chain, large and small independent) was controlled, the quality held constant, and package size controlled. However, prices were higher in small independent stores than in large independents or chains. The small stores were most prevalent in the low income areas, while chains and larger stores were predominant in the higher income areas. Even though prices for similar size items were roughly equal, the study found that low income shoppers tend to buy in smaller sizes or quantities, which are typically priced higher per unit.¹⁷ While this latter finding is not evidence for the charge against retailers, it is relevant to understanding the situation of the poor.

While comparable prices were found in the low and higher income areas, the study did reveal that the stores in the low areas were not as

¹⁶Published in Special Studies in Food Marketing, "Prices Charged in Food Stores in Low and Higher Income Areas of Six Large Cities," February, 1966, Technical Study No. 10, National Commission on Food Marketing (Washington, D. C.: June, 1966), pp. 122-144.

¹⁷Ibid., pp. 126-129.

clean and orderly, the meat and produce did not appear as fresh, and fewer customer services such as cashing of personal checks were offered.¹⁸

At first glance, the pricing part of the study would seem to refute the charges of higher prices in chains in low income neighborhoods. However, to those skeptical of retailing practices in the first place, the fact that the Bureau of Labor Statistics wrote letters to the stores two weeks before the visit of the pricing agents informing them of the study and the approximate time of the visit, casts a shadow on the validity of the findings. Representative Benjamin S. Rosenthal, chairman of the Congressional subcommittee which heard the testimony of the low income shoppers referred to above, called the BLS study "....probably the greatest waste of taxpayers' money in history....If I knew how to get that money back, I would start an action to do it."¹⁹

Another criticism of the BLS study is that the stores to be studied were selected solely by location; i.e., whether or not they were located in the low income tract. No consideration was given to where the poor might actually shop.

Rochester, New York

In a study in Rochester, New York, Alexis and Simon actually interviewed shoppers to determine the stores where they most often

¹⁸Ibid., pp. 130-138.

¹⁹Consumer Problems of the Poor...., op. cit., p. 257.

shopped; then price analyses were carried out.²⁰ The BLS study found small independent stores most prevalent in the poor areas. Alexis and Simon did not distinguish between large and small independent stores, but did find that independent stores were more heavily shopped by low income shoppers. Thirty-four percent of the low income shoppers in their study did their major shopping at independent stores, compared to 14 percent of the middle and high income shoppers.²¹ The independent stores in the Rochester study were found to have prices approximately 10 percent higher than the chain stores in the same area. Because a higher proportion of low income customers shopped in the higher priced independent stores, Alexis and Simon concluded that families of lower incomes do pay higher prices for the food commodities they purchase.²²

The Alexis and Simon study did not investigate the charges of price differentials in a particular chain in different income areas, or price changing to coincide with income checks.

West Philadelphia

Charles Goodman conducted a study in West Philadelphia, which was very similar in design to that of Alexis and Simon. He, too, interviewed low income consumers to determine where they shopped. However,

²⁰Marcus Alexis and Leonard S. Simon, "The Food Marketing Commission and Food Prices by Income Groups," Journal of Farm Economics, Vol. 49, No. 2 (May, 1967), pp. 436-446.

²¹Ibid., p. 439.

²²Ibid., p. 446.

he found that even though small stores with higher prices were predominant within the survey area, more than 92 percent of the shoppers went outside the area to shop for food. (The survey area in this case was only 160 acres, or one fourth of a square mile. Thus, none of the residents had more than one-fourth of a mile to travel to get outside the area.) Ninety percent of the respondents shopped at chain supermarkets or competitively priced, medium-sized stores.²³ He concluded that because the poor do most of their shopping at stores that are competitive pricewise, even if they must go outside their area of residence, they do not pay more for food. Since Goodman did not compare the prices of ghetto stores with stores outside the ghetto, "competitive pricing" in this case loses some of its meaning. Ghetto stores that are competitive with other ghetto stores may or may not be competitive with stores in higher income locations.

An additional limitation of both the West Philadelphia and Rochester studies is the dependence on one, or at most two, pricing observations that recorded normal (non-feature) prices. The influence of different featuring strategies, and changes in prices over time, were thus not considered.

The conflict in the conclusions of these two studies may be due in part to differences in the market structure of the two study areas

²³Charles Goodman, "Do the Poor Pay More?" Journal of Marketing, Vol. 32, No. 1 (January, 1968), p. 20.

(81 percent of the consumers in West Philadelphia did their major shopping in chain stores compared to 66 percent in Rochester study) and in part to study methodology. Goodman does not describe the brands of items priced, but most pricing studies use national brands because of comparability. Alexis and Simon collected price information on both the high and low priced brands. Their conclusions are drawn from the low priced market baskets. The high priced market baskets--largely composed of national brands--actually identify the independent stores that consumers identified as major sources of food--lower in price than the chain stores. Thus, their conclusions would vary--depending on which market basket was used.

U. S. Department of Agriculture

The most recent and most thorough check of prices in chain stores was conducted by the U. S. Department of Agriculture in February, 1968.²⁴ The study was specifically designed to find out whether or not retail food chains charge the same prices in stores in high and low income areas. The Congressional hearings previously referred to apparently were instrumental in initiating the study. Price comparisons were made between high and low income stores of the two leading chains in six different cities. For each of the six cities, no consistent differences were revealed by income area.²⁵

²⁴Comparison of Prices Paid for Selected Foods in Chain Stores in High and Low Income Areas of Six Cities, U.S.D.A. (Washington, D. C.: June, 1968).

²⁵Although not identified in the report, the cities studied were Philadelphia, San Francisco, Denver, Detroit, Chicago, and Dallas.

In an effort to evaluate quality of meats, laboratory tests were carried out to determine fat content of ground beef, moisture in frankfurters, and bone and fat in pork chops. While few cases of inferior quality were found, a higher proportion of these came from low income area stores.

This USDA study is clearly the most authoritative evidence available. It would seem to refute the claim of price differential by income area within a particular chain. Still, the study does not approach the question of prices being raised to coincide with welfare payments. Representative Rosenthal (Democrat, New York) blasted this study on just these grounds; the study covered only two days.²⁶

Many of the studies that have been conducted on food prices in the ghetto have been limited in scope or of questionable validity due to research procedures. While these studies have differed in their findings on price discrimination in ghetto stores, they have generally agreed that inner city areas have relatively few supermarkets and a large number of small stores compared to suburban areas. Also, supermarkets that are located in ghetto areas tend to be older, in poorer condition, and with less product variety than suburban supermarkets.

²⁶Reported by A.N. Weckslar, "Poor Not Gouged," Food Topics (August, 1968), p. 5.

A CASE STUDY IN COLUMBUS, OHIO

Introduction

In an effort to provide information on the food shopping situation in the inner city area of Columbus, Ohio, a two-phase study was initiated in the summer of 1968. The two phases of this study were:

1. Analysis of food shopping attitudes and behavior
of inner city residents
2. Analysis of food prices and quality in six supermarkets
and seven neighborhood stores in the inner city,
and six supermarkets outside the inner city over
a six-week period.

The area selected for study was the three square mile Model City area with a population of approximately 60,000 low income residents. Community leaders in the Model City area were consulted as the study was designed and were instrumental in collecting information for the first phase of the project.

Interviews were conducted with 136 consumers, largely via block coffees, which were selected to represent a geographic cross section of Model City residents.²⁷ The interview form used is enclosed

²⁷All but 38 of the interviews were completed at block coffees to which block residents were invited to discuss food shopping. The last 38 were completed with personal interviews in their homes. In both instances, trained Negro women were used to collect the information. Of the two methods used, the coffees proved to be the most effective.

in the Appendix, as is a map of the study area and the blocks selected for consumer interviews .

Phase I -- What Consumers Said

Where They Buy Food---Consumers were asked in what store they bought most of their food, what other food stores they frequently shopped, and where they purchased perishable products. The results are summarized in Table 2. In response to the question, "Where do you buy most of your food?", 36 different stores were mentioned. Eighteen of these stores were in the Model City area and were the main source of food for two-thirds of the consumers interviewed.

The eight most popular stores were patronized by 68 percent of the consumers. Five of these were supermarkets within the Model City, two were supermarkets outside, and one was a discount store outside. The five Model City supermarkets were identified as the main source of food for nearly 50 percent of the consumers interviewed.

Table 2 indicates that corporate chains were the main source of food for two out of three consumers interviewed. One chain, Kroger, accounted for more than half of the "chain customers." Six different Kroger stores were identified as the primary markets for over one-third of the customers interviewed. However, three of these stores were named by only a few consumers. Independent food stores (either affiliated or unaffiliated) were more important as secondary or fill-in markets, and

Table 2. Most Important Sources of Food, 133 Model City Residents, Columbus, Ohio, 1968

Source	Where Do You Buy Most Of Your Food?		At What Other Supermarket Do You Most Often Shop?	Where Do You Buy Most of Your		
	Number Of Different Stores Mentioned	Percent		Dairy Products	Meat	Produce
Corporate Chains	(16)	(65.4)	(59.5) %	(50.4)%	(51.1) %	(49.6) %
A & P	3	9.8	9.0	7.0	3.8	7.1
Big Bear	5	17.3	15.3	14.7	17.6	15.7
Kroger	6	36.1	32.4	27.9	29.0	26.0
Albers	2	2.3	2.7	.8	.8	.8
Discount Stores	(4)	(10.5)	(9.9)	(5.4)	(10.7)	(7.1)
Ontario & Whitehall	2	9.0	9.9	4.6	9.2	6.3
Gold Circle	2	1.5	0.0	.8	1.5	.8
Affiliated Independents	(8)	(16.5)	(18.0)	(12.4)	(12.2)	(11.0)
IGA	4	10.5	5.4	5.4	8.4	8.7
Royal Blue	3	5.3	10.8	7.0	3.0	2.4
Super Duper	1	.8	1.8	0.0	.8	0.0
Unaffiliated Independents	8	7.5	12.6	13.2	26.0	32.3
Home Delivery				18.6		
TOTAL	36	100.0	100.0	100.0	100.0	100.0

as sources of meat and produce, than as primary sources of food for these consumers.

Responses to the question, "At what other supermarkets do you most often shop?", show a similar patronage breakdown to the first question. It appears likely that the responses largely indicate alternative supermarkets used for major shopping, rather than supermarkets used for fill-in purchases.

The information in Table 2 gives some indication of the relative strengths and weaknesses of the different firms. For example, A & P stores were the main source of food for 10 percent of the consumers--but the primary source of meat for only 4 percent. This suggests relatively weak meat departments in the A & P stores. Big Bear, on the other hand, had a slightly larger share of the meat "market" than of the total food "market," and was the most successful in maintaining its customers in the three perishable departments. The Royal Blue stores were relatively strong in the dairy department, but weak in meat and produce. In part, their strength in dairy may be due to their policy of selling private label milk at a price below their competitors.

Nearly one out of five consumers interviewed purchased most of their dairy products from home delivery routes. Brandt's study of the entire Columbus market found that 44 percent of all Columbus consumers

purchase their dairy products in this way.²⁸ The relatively low use of home delivery by Model City residents is consistent with the positive relationship in the Brandt study between family income and the use of home delivery.

Consumers were also asked to identify the neighborhood food store most frequently shopped. Summarization of the answers to this question indicated a rather uniform distribution of patronage in the 37 different stores identified. The answers to this question and to the first question on their main source of food were of considerable help in selecting the stores to study in Phase 2.

Other Shopping Characteristics---Since consumers were surveyed by blocks, the distance to their primary market could be easily computed. The distribution of consumers by distance traveled was as follows:

<u>Over</u>	<u>But Not More Than</u>	<u>Percent</u>
	1/2 mile	19
1/2 mile	1 mile	27
1 mile	2 miles	23
2 miles	3 miles	7
3 miles		24

As far as mode of transportation to the food store, one of five walked, about 5 percent took a cab or bus, and the remainder traveled in their own or a friend's car, i.e., about 75 percent traveled by auto.

²⁸William K. Brandt, Consumer Attitudes Toward Store Purchases and Home Delivery of Fluid Milk, Unpublished Masters Thesis (The Ohio State University: 1967), p. 32.

A surprising finding was the number of families that normally buy and use federal food stamps. Only 8 percent of the families in this study indicated they used food stamps. Since food stamps do represent a significant potential saving in food costs, the reasons for such low usage should be examined in a future study. Compared to the total sample, those using food stamps represented much larger, somewhat younger families. Over 80 percent had incomes of less than \$4,000.

Quality, convenience and price were the three most important reasons why consumers selected certain stores in which to shop. Answers to the open ended question, "Why do you shop for food where you do?", are summarized into nine categories in Table 3. Nearly 75 percent of the reasons given fell within the three categories mentioned above. Almost every respondent mentioned one or more of these three reasons in answering the question.

There was considerable variation in the emphasis placed on different reasons in the six areas of the Model City. Consumers in areas two and four placed heavy emphasis on convenience of store location. This was also reflected in the fact that a relatively high proportion of these consumers said they walked to their favorite market. Consumers in areas three and five, however, placed higher importance on quality. No clear relationship to income is apparent since, as the following section indicates, areas four and five were lowest in income, while areas three and six were the highest.

Table 3. Responses to Question: "Why Do You Shop for Food Where You Do?", 136 Inner City Residents, Columbus, Ohio, 1968

Reason	Percent of Consumers Mentioning Different Reasons						All Areas	
	A R E A						No.	Percent
	1	2	3	4	5	6		
Price	5.0	7.1	29.0	38.5	28.0	45.0	37	27.2
Quality	25.0	28.6	48.4	23.1	52.0	20.0	47	34.6
Convenience	20.0	64.3	22.6	50.0	20.0	40.0	46	33.8
Variety	5.0	7.1	9.7	3.8	12.0	5.0	10	7.4
Specials	5.0	7.1	3.2	0.0	16.0	0.0	7	5.1
Habit	25.0	0.0	0.0	0.0	0.0	0.0	5	3.7
Customer Service & Treatment	0.0	7.1	12.9	0.0	0.0	0.0	5	3.7
Cleanliness	0.0	0.0	3.2	0.0	4.0	0.0	2	1.5
Other	15.0	7.1	16.1	7.7	12.0	10.0	16	11.8
Total No. of Reasons	20	18	45	32	36	24	175	
No. of Consumers	20	14	31	26	25	20	136	
No. of Reasons per Consumer	1.0	1.3	1.4	1.2	1.4	1.2	1.3	

The responses to this question were also compared to the responses to the question from an unpublished study of an entire metropolitan area. The order and importance of quality, convenience, and price was similar in the two studies. However, the inner city consumers did place much less emphasis on variety and on customer service and treatment as reasons for patronizing certain stores.

About The Consumers Themselves---Several questions were asked about age, education, income and related demographic characteristics of the consumers interviewed. Two-thirds of the families surveyed had male heads of household, while the remaining third were headed by females. With respect to income, five out of six consumers cooperated by checking one of the three income categories provided--under \$2000, \$2000-\$4000, and over \$4000. The results indicate that added categories were needed, since nearly 60 percent of the consumers said their income was over \$4000 per year. The results, if representative, also suggest a decline in real income since the 1960 census. The latter found 38 percent of the families in the Model City had incomes under \$4000 (compared to 42 percent in this study).

When asked the education of the head of this household, 44 percent of the respondents indicated less than a high school degree; 28 percent indicated completion of high school, and nearly 30 percent said their

Table 4. Proportion of Consumers in Each of Six Study Areas by
Income and Education

	A R E A S						All Areas	
	1	2	3	4	5	6	No.	%
<u>Family Income</u>								
Under \$2000	6	15	7	25	10	6	13	11.5
\$2000-\$4000	44	31	18	30	50	19	35	31.0
Over \$4000	50	54	75	45	40	75	65	57.5

<u>Level of Education</u>								
9th grade or less	35	0	24	24	41	6	29	23.8
Some high school Completed	35	23	0	32	18	25	25	20.5
high school	18	46	31	24	23	31	34	27.9
Some beyond high school	6	15	17	16	18	13	18	14.8
College degree or beyond	6	15	28	4	0	25	16	13.0

household head had received some education beyond high school. By area, the proportion not completing high school ranged from 23 percent to 70 percent. The proportion of those having at least some training beyond high school ranged from 12 percent to 45 percent. The mean years of education for household heads was 11.6 for those surveyed. The level of education of the head of the household shows a definite relationship to income, as would be expected.

From an age standpoint, one-ninth of the consumers surveyed were under 30 years of age, one-third were between 30 and 45, and the remaining 57 percent were equally split between the age categories of 45 to 60 and over 60.

The mean size family of the consumers surveyed was 3.9 members. Although 40 percent of the families had only 1 or 2 members, nearly one-fourth had six or more members.

Consumer Ratings of Food Stores---The consumers interviewed were asked to rank the food stores with which they were familiar on 14 characteristics. The results of these ratings for the 10 most frequently rated stores are shown in Table 5. Of the 10 stores included in this table, three are located outside the Model City neighborhood but are within easy driving distance. These are Stores 3, 6, and 8.

The scores shown are the mean rating for each characteristic, using the following scoring system:

Excellent	=	100
Good	=	200
Fair	=	300
Poor	=	400

Thus, the lower the score, the more favorable the rating. The reader's attention is drawn to the relatively low number of consumers rating certain stores. In these cases, caution should be exercised in trying to make precise interpretations.

Two stores stand out in respondent ratings--one at the top of the list, another at the bottom. Store 3 received the most favorable rating on seven of the 14 characteristics, and was substantially lower in its overall rating. Store 9, on the other hand, had the least favorable rating on all but three characteristics, and overall was graded half way between "fair" and "poor."

Consumers' "overall" ratings of these stores (14th row) indicate four groups of stores with similar ratings. The two stores mentioned form distinct top and bottom "groups." Stores 1, 2, 6, 7, 8, and 10 make up an above-average group, and Stores 4 and 5 make up a below-average group. If consumers' overall ratings are disregarded and the 13 characteristics are used to synthesize overall ratings, Stores 1 and 7 would shift to the below-average group with Stores 4 and 5.

Both the Big Bear and Kroger stores located outside the Model City area tended to be rated higher than their store(s) inside the area. In Big Bear's case, its outside store is a larger, more modern store that obviously is well liked. A comparison of the Kroger stores, however, reveals no marked difference in facilities, and no apparent difference in store operation. The difference in ratings may, in part, reflect an expectation by Model City residents that "outside" stores are superior. And, in part, they may reflect differences that are not readily apparent on a casual visit. Of particular interest are the wide differences in the

Table 5. Summary of Consumer Ratings of the 10 Food Stores Most Frequently Rated

Characteristics	1	2	3	4	5	6	7	8	9	10
	A & P	Big Bear	Big Bear*	Kroger	Kroger	Kroger*	IGA	Ontario*	Royal Blue	Royal Blue
1. Meats	200	189	140	226	226	190	229	188	377	250
2. Fresh Fruits & Vegetables	227	196	156	237	223	200	231	209	286	267
3. Dairy Products	200	150	160	183	186	140	242	173	279	170
4. Selection	218	170	120	220	213	182	236	195	346	233
5. Prices	315	258	230	270	260	263	254	195	358	300
6. Specials	285	204	210	233	226	236	215	205	308	209
7. Convenience	227	196	190	196	187	282	171	257	200	150
8. Courtesy	215	178	140	222	226	191	200	230	231	167
9. Cleanliness	179	156	140	215	203	209	233	213	226	183
10. Concern for Community	233	243	183	257	279	257	160	241	346	200
11. Check Cashing	238	178	171	221	256	167	221	233	236	136
12. Check-out	208	212	133	274	264	178	240	230	277	173
13. Parking	177	156	156	177	211	188	243	155	236	192
14. Overall	223	217	170	252	266	200	220	214	354	208
No. Rating	12	26	10	25	30	10	14	22	13	11

*Stores located outside the Model City

ratings of certain service characteristics, such as courtesy, check cashing and check-out service. For both Big Bear and Kroger, the customer service dimensions of their "outside" stores were rated substantially better than for their inner city stores. Thus, whether or not customer service has a significant influence on which stores these consumers shop, it may well be an important source of irritation and contribute to the feelings of discriminatory treatment.

Consumer Comments at Coffees---In addition to completing a formal questionnaire, the consumers who attended block coffees were also led in a group discussion about food shopping. Their comments were recorded on a tape recorder. Analysis indicated a general negative attitude toward existing retail facilities in the inner city, with a wide variety of complaints. Some of the more frequent ones were:

- Specials are discards of poor quality; end up costing more.
- Exorbitant prices at neighborhood stores.
- Poor quality--old meat.
- When Negroes move into an area, the service and appearance of stores goes down.
- Limits on specials make it uneconomical to drive to outside stores to get them.
- Takes all sorts of identification at some stores to cash a check. Some stores charge for cashing checks.
- No carryout service at inner city stores like there is in the suburbs.
- Poor parking--especially at neighborhood stores.
- Chicken is weighed with ice frozen in it; hamburg has extra water and fat added to it.
- Some of the neighborhood stores have poor refrigeration; frequently get sour milk from these stores.

- One milk company won't deliver in inner city; another requires payment in advance.
- Prefer unpackaged meat--if you watch the butcher cut it, you know it is fresh.
- Outside stores are cleaner, have better quality, and are lower in price.
- Prices are raised at end of month.
- Why aren't there more supermarkets in the inner city? Area needs a first class store--all around--where consumers can buy first class food at first class prices.
- A modern shopping center in the inner city would help morale, since residents wouldn't always have to travel outside the area to meet their needs. Need several good supermarkets so that there is more competition.

Housewife complaints about food stores is certainly nothing new.

However, the large number of complaints encountered in the group interviews suggests:

1. There are, in fact, some very poorly operated retail stores in the inner city with inferior quality products and facilities, high prices, and poor service. The fact that these stores continue to survive reflects the "captive" attitude of some of the consumers. Apparently there are not convenient, satisfactory, alternative stores.
2. Inner city residents feel persecuted and may imagine some discriminatory behavior that does not exist.

The extent to which some of these complaints may be justified will be examined in the following sections. Since, in general, the most popular supermarkets and neighborhood stores were selected for study, the results

do not represent a cross section of food retailing in the inner city. Rather, it is assumed that the stores selected are at least average and in most cases above average for the area. All of the chain stores in the Model City area were included in the analysis. However, several affiliated stores and many, many independent neighborhood stores that operate in the area were not studied. Obviously, the study results shed no light on the caliber of these excluded stores.

Phase II -- Analysis of In-Store Prices

Data Collection and Analysis---The results of the consumer survey provided useful information on the most frequently shopped supermarkets and neighborhood stores. Based on these results, four chain supermarkets, two medium-sized affiliated stores, and seven neighborhood stores within the Model City were selected for the pricing study. Three chain supermarkets, one discount store, and two affiliated markets outside the Model City area were selected for comparison purposes.

Price information was collected by in-store observations by a Negro enumerator. The seven chain supermarkets, four affiliated stores, and one discount store were price checked on seven different occasions during four weekly periods. The periods were chosen to include two "Mother's Day" periods when welfare checks were being distributed. Three of the observations in each store were made during the early week, (Monday, Tuesday or Wednesday) and four were made during the last three days of the week (Thursday, Friday or Saturday).

Neighborhood stores were checked about half as many times on the rationale that weekly features would be much less important in these stores. It was also felt that price checking would be much more obvious in these stores, and that more frequent observations would alert the manager to make price changes if he was not competitive on certain items.

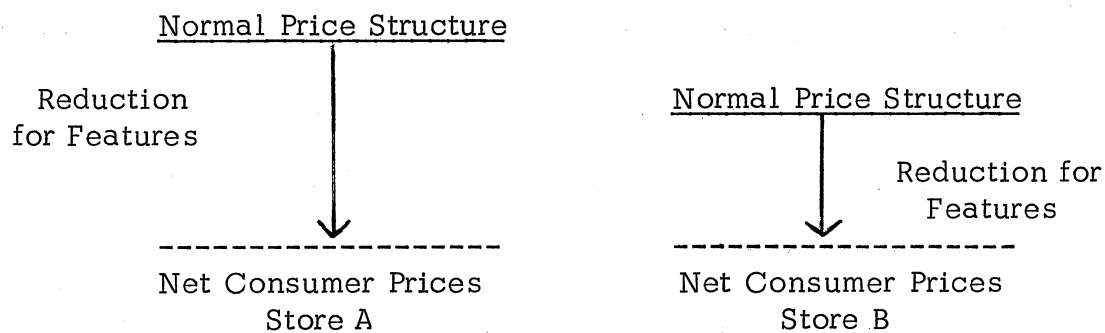
A sample of 37 items was selected for pricing in the larger stores. These items were selected from the U.S.D.A. consumption study referred to at the beginning of this report. Consumption data for low income families²⁹ were used as the basis for item selection. The 37 items, while a small proportion of all items in a supermarket, were estimated to represent nearly half of the food expenditures of low income families. This sample of items was reduced to 20 for pricing in the neighborhood stores. A list of the items checked in both small and large stores is enclosed in the Appendix.

In the summary and analysis of the pricing data, some items were eliminated due to non-comparable brands or qualities, or due to the item not being stocked by some stores. Produce and meat items, in particular, presented problems of comparability and/or availability. Bacon, bologna, apples and carrots were all removed from the sample due to this problem. A total of nine items was removed from the large store sample, resulting in 28 items making up the large market basket. Five items were removed from the small store sample, resulting in a small market basket of 15 items.

²⁹Food Consumption of Households , op. cit.

The price of each item was weighted in accord with low income weekly consumption data. For example, the price for a half gallon of milk was weighted by 2.43 while the price of a pound of bananas was weighted by 1.05. The weights indicate the relative quantity consumed of each item by low income families. In this example, slightly more than two half gallons of milk were consumed for every pound of bananas.

The treatment of featured items presents a problem in this type of study. If some of the sample items are featured, should the special prices be used or should the normal non-feature prices be used? If featured prices are included, the researcher runs the risk of accidentally "catching" a higher proportion of the features from one store than from another. On the other hand, the featuring strategy of a firm is an integral part of its overall pricing strategy. Some stores carry low everyday prices and run relatively few mildly reduced features. Other stores may carry higher normal prices but feature more items at a sharp reduction in price. The end result may be similar to the following:



If feature prices were not included in a price study of these two firms, Store B would receive an unfair advantage. Because of this, and because it was felt that seven observations of each store's prices should minimize the risk of catching an unfair proportion of any store's features, feature prices were included in the analysis.

Market basket cost was computed for each store for each price check. In computing the mean of the seven market basket values for each store, an additional weighting procedure was employed. Since 70 percent to 75 percent of a typical store's sales occur during the last three days of the week, end-of-week observations were weighted by .70 and early week price checks by .30. The resulting weighted mean of market basket costs should be an accurate measure of the cost of the 28 items to consumers in the various stores during the time period studied.

Were There Differences? ---Table 6 summarizes the market basket cost information for the 12 large stores in the study. Disregarding the one A & P store where only four price checks were made, the range in the weighted means is from \$7.54 to \$8.01, a difference of about 6 percent. The average market basket cost for all 12 stores was \$7.84. The average cost in the six Model City stores was \$7.86, compared to \$7.82 for the six outside stores.

No significant difference was found between the market basket costs in Stores 3, 10, and 12--the lowest priced stores. However, all of these three had significantly lower market basket costs than the other nine stores

studied (at the 5 percent confidence level).³⁰

Attention is now directed to answering the question: Do inner city stores charge higher prices than their suburban counterparts? This calls for a comparison of stores in the same chain or group. The reader is reminded that Stores 2, 4, 6, 8, 10, and 12 (the even numbered stores) are all located outside the Model City.

Analyses revealed the following results:

Kroger: Store 3 was significantly lower in market basket cost than either Store 1 or 2.

Big Bear: No significant difference.

A & P: Store 7 was significantly lower than Store 6 (only four observations from both stores were used in this comparison.)

Royal Blue: No significant difference.

IGA: Store 10 was significantly lower than Store 11.

³⁰The "t" test for paired variates was used to test for significantly different means between various pairs of stores. No significant difference was found in the market basket costs of the "other 9 stores" (compared on a paired basis), except for the Mt. Vernon IGA, which was significantly higher at the 5 percent confidence level than the Kroger-Greenway, and the two Big Bear stores. Because of only 4 observations, the North High A & P store was not tested against other stores, except the Kimball & Main A & P. In this case, only four observations were used for each store, and the latter was found significantly lower in price.

Table 6. Weighted Market Basket Costs for 12 Large Stores, 7 Price Checks Each, August-September, 1968

	Store No.	1 Early Week	2 End Week	3 End Week	4 Early Week	5 End Week	6 Early Week	7 End Week	Simple Mean	Wt. Mean	% of 12 Store Mean
Kroger-Greenway	1	\$7.99	\$7.96	\$7.83	\$7.90	\$7.43	\$7.82	\$7.73	\$7.81	\$7.77	99.1
Kroger-T & C**	2	8.03	8.00	7.88	7.85	7.60	8.01	7.72	7.87	7.84	100.0
Kroger-E.Main	3	7.69	7.58	7.64	7.91	7.53	7.66	7.42	7.63	7.59	96.8
Big Bear-T & C**	4	8.04	7.54	7.90	7.98	7.70	7.85	7.92	7.85	7.81	99.6
Big Bear-E.Main	5	7.88	7.53	7.91	7.97	7.79	7.92	7.88	7.84	7.81	99.6
A&P-N.High**	6	*	*	8.24	8.27	8.17	8.26	*	8.24	8.22	104.8
A&P-Kimball & Main	7	7.89	7.95	8.10	8.11	8.03	8.09	7.67	7.98	7.96	101.5
R. Blue-Vil. Mkt.**	8	7.73	7.71	8.28	8.43	7.35	8.26	8.14	7.99	7.94	101.3
R. Blue-Oak St.	9	7.85	8.16	8.25	8.07	7.45	8.18	8.22	8.01	8.01	102.2
IGA-Park Lane**	10	7.85	7.70	7.49	7.46	7.44	7.51	7.46	7.56	7.54	96.2
IGA-Mt. Vernon	11	8.02	7.94	7.90	8.30	7.85	8.24	8.04	8.04	7.99	101.9
Ontario-Alum Creek**	12	7.42	7.56	7.76	7.95	7.47	7.63	7.52	7.61	7.60	96.9
Av.-Inner City Stores		7.87	7.85	7.94	8.04	7.68	7.99	7.83	7.86		
Av.-Outside Stores		7.81	7.70	7.93	7.99	7.62	7.92	7.75	7.82		

* Observations not available.

** Store located outside the Model City.

Thus, in two chains, the Model City stores were significantly lower in price than their suburban counterparts. Only in the case of an affiliated organization of independent stores--IGA--was the outside store found to be lower in price. In this case, the difference in the size and age of the stores may explain part, if not all, of the difference. Store 11 is a medium-sized, older store that is one-fourth to one-third the size of Store 10, and is apt to be a higher cost store to operate.

The observations in Table 6 can also be examined for evidence of "Mother's Day" price increases. Observations 1, 6, and 7 were taken at about the same time that Aid to Dependent Children checks were received by those on welfare. No indication of price increases during these periods is evident from these data. Examination of the prices for individual items in each store (See tables in Appendix) presents even more convincing exoneratory evidence.

For additional analyses, the market baskets were broken into two parts; meat and produce, and all other foods. The costs for these two "partial baskets" helped indicate where the price differences were. The three corporate chains had almost identical costs for their own stores for the "other food" basket. The differences found between the three Kroger stores and between the two A & P stores were due solely to differences in the cost of the meat and produce basket. In fact, for

the Kroger stores, one item--chicken--was the primary cause of significantly lower market basket costs in the East Main Store.

The opposite was true for the two affiliated organizations. For the two IGA stores and the two Royal Blue stores, significant differences were found in the costs of the "other food" basket, while the meat and produce basket costs showed no significant differences.

What About Quality?---Some effort to evaluate produce and meat quality in the different stores was warranted for two reasons.

1. To insure that price comparisons were meaningful.
2. To investigate the comments received during the consumer survey about inferior quality meat and produce being sold in inner city stores.

Produce quality was evaluated subjectively by the enumerator on each visit to the stores. His observations were recorded (along with the pricing data) on the cleanliness and appearance of the produce department, and on any individual produce items that were either unusually good or poor in quality.

The enumerator also made general comments about the appearance of the meat department, and about the overall cleanliness of the store on each visit. This information supplemented a separate meat quality evaluation study that was conducted by a member of the Ohio State University meat judging team. The latter study involved three visits to

each of the 12 large stores in the pricing study. Information was collected on:

1. The closeness of trim on two pork cuts and three beef cuts.
2. Estimated fat content of ground beef and sausage.
3. Number of times that a top brand of sausage, bacon, weiners and bologna was carried.
4. Subjective evaluation of sanitation, meat packaging and meat display.

No difference was found in the closeness of trim in the inner city stores compared to those outside the area. Two of the products selected for checking--pork 7-rib roast, and beef T-bone steak--were less frequently stocked in the inner city stores. This may reflect a difference in sales mix in these stores. The inner city stores were also found to carry a top brand of the four smoked meat products less frequently.

No difference was found in the fat content of sausage carried in the two groups of stores. However, the ground beef in the inner city stores was estimated to be higher in fat content. The summary of observations was as follows:

<u>Ground Beef Fat Content</u>	<u>Six Inner City Stores % of Observations</u>	<u>Six Suburban Stores % of Observations</u>
20%	47.1	70.6
30	47.1	29.4
40	5.8	0.0
<hr style="border-top: 1px dashed black;"/>		
No. of Observations	17	17

Since accurate visual estimates of fat content are difficult even for a trained person, these data should be interpreted as rough estimates. Ohio law requires a fat content of not more than 20% for ground beef, and not more than 30% for hamburger. The above data--if approximately correct--suggest the need for more rigid enforcement of the state law, particularly in the inner city stores.

The subjective evaluations of sanitation, packaging and meat displays indicated little difference in the caliber of the meat displays in the two groups of stores. The six "outside" stores were ranked higher in both sanitation and meat packaging. This was largely due to the two medium-sized affiliated stores, both of which are relatively old, have facilities that are more difficult to keep sanitary, and are not as well equipped as larger, newer markets.

The observations of the pricing enumerator supported these findings, in general. Except for the two affiliated stores within the Model City, and the IGA store outside, the produce and meat quality, and the cleanliness of the stores was observed to be very good. Of the three exceptions, the "outside" IGA store was rated rather low in produce quality, but was found to be a clean store with good quality meat. The two stores within the Model City were frequently found lacking in cleanliness and meat freshness, and occasionally in produce freshness.

Verification of Pricing Data

Because of the risks involved in comparing prices on a relatively small number of items at a certain point in time, a follow-up price check was made in the 12 stores in May, 1969. The only change made in the items priced was that the predominate private label milk was priced instead of an advertised brand.

The results showed very similar relationships as the series of observation in 1968. In fact, the main difference was that the two A&P stores dropped in price relative to the other stores. The inner city A&P was very comparable to two of the Kroger stores (Stores 1 and 2 in Table 5) in market basket cost. The suburban A & P, although slightly higher than the inner city store, was comparable price-wise with the two Big Bear stores. Aside from the more competitive position of A&P, an identical picture was found.

Some Cautions and Problems in Using the Data

The foregoing represents a conscientious effort to present an accurate and fair comparison of prices in the 12 stores studied. In the course of this inquiry, however, the researchers periodically were made conscious of the need for caution in interpreting the results. Probably the point of greatest concern would be the number and nature of the sample items priced. Twenty-eight items is a rather small sample of the six to seven thousand items carried in a supermarket. Granted that the items selected were important to low income families, and granted that the 28 items reflect

the prices of a much larger number of items (for example, the price of other brands of ground coffee will be closely related to the price of Maxwell House)--the question of the accuracy of the price picture from these few items still must be kept in mind.

The items priced also present some weaknesses, viewed in retrospect. This is particular true for milk and bread where advertised brands were priced. This procedure facilitated comparability but concealed the real picture since private label milk and bread are the volume movers in these stores. In milk, this was a particular point of concern since the difference in price between private label and advertised brands varied widely from store to store, particularly in the affiliated stores. One Royal Blue store charged \$.59 per half gallon of Borden's homogenized milk, and \$.45 per half gallon of their own private brand. In an IGA store, the price of the two brands was \$.61 and \$.58, a spread of only 3 cents. Since the price of milk was weighted by 2.43, the use of the private label milk in the market basket could present quite a different picture than the one using the advertised brands. (Having said this, however, we hasten to point out that private label milk was included in the May, 1969, price check--which indicated similar results as the 1968 observations).

The question of comparability of meat and produce items also must be raised, particularly in comparing the prices of one company with

another. Were the lettuce, bananas, and tomatoes in the Big Bear stores comparable to those in the Kroger, A & P, Royal Blue, IGA, and Ontario stores? Some differences were noted, and where great enough, the items were dropped from the market basket (carrots, bacon, bologna). However, where the quality differences were not great, the items were left in the sample to provide some indication of the price levels in these departments.

Finally, it must be recognized that these prices are for a certain time period. Pricing strategies do change. The pricing picture presented by this study, while still relatively accurate six months later, may not necessarily be true for today or for one year from now.

How Accurate Were Consumers in Evaluating Store Prices?---Since 9 of the 12 stores included in the pricing study were also rated by Model City consumers on prices and other characteristics, a comparison can be made to determine how accurately consumers perceived the prices of the different stores. Figure 1 presents this comparison and indicates rather accurate appraisal by consumers for six of the nine stores. Stores 4 and 11 were rated considerably better on prices by consumers than the pricing study would justify. Store 3, on the other hand, was not rated as well as the pricing study would justify.

The consumer rating would suggest five different price level stores. The pricing study indicates three levels. The comparison is as follows:

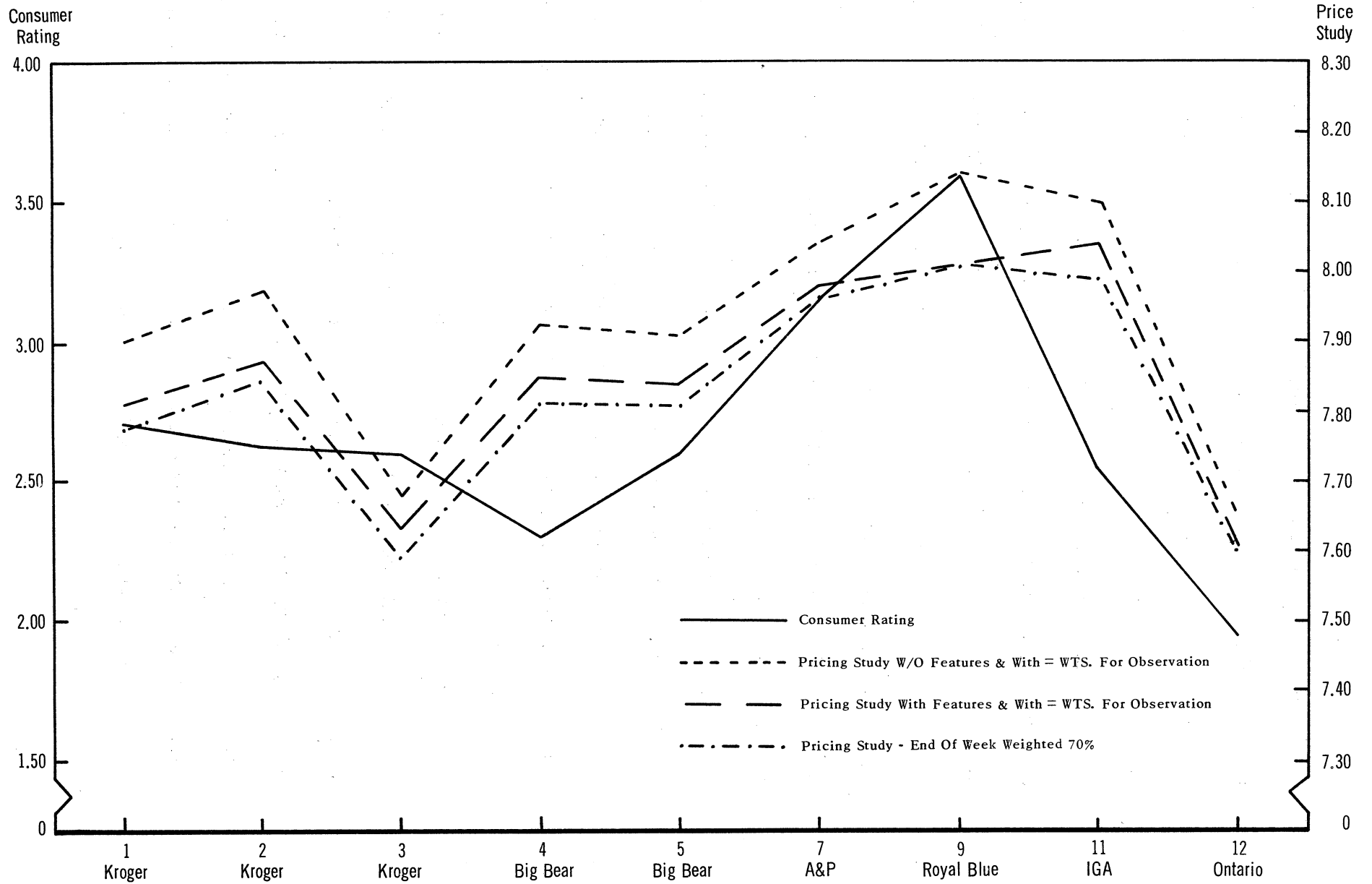
<u>Price Level</u>	<u>Consumer Ratings</u>	<u>Pricing Study</u>
High	Store 9	Stores 6, 9 and 11
High Middle	Store 6	
Middle	Stores 1, 2, 3, 5 and 11	Stores 1, 2, 4, and 5
Low Middle	Store 4	Stores 3 and 12
Low	Store 12	

The impact of features (or weekend specials) on the price levels in the different stores is evident in Figure 1. The top line in this figure shows the average market basket costs for the stores without including feature prices, and with equal weights given to early week and late week observation. The second line reflects the drop in cost due to the inclusion of feature prices. The third price line includes feature prices; it weights late week prices at .70 and early week prices at .30.

A difference in pricing strategy is particularly evident for Store 12-- Ontario. Following a practice of relatively low everyday prices, the features in this store represent much less saving over normal price than is true in the other 8 stores.

The drop in market basket cost due to feature prices and appropriate weighting of observations caused only one change in the order of the stores, pricewise. From 5 cents above Store 12, Store 3 (Kroger) dropped to 1 cent below after the adjustments (no significant difference at the 5 percent level in either case).

FIGURE 1: COMPARISON OF PRICING STUDY RESULTS AND CONSUMER EVALUATION OF STORE PRICES



To some extent, a "halo effect" can be detected in the consumer ratings. This can be described as the influence of a consumer's overall image of a store on their appraisal of individual characteristics such as meat, prices, etc.

For example, Store 4 (Big Bear) has a very favorable overall image. As a result, the rating of certain characteristics, such as prices, is more favorable than it should be. A similar situation is found for Store 11 (IGA). The owner-operator of this store is well liked and active in community affairs. (The store was rated highest in concern for the community.) As a result, the store is rated better on prices, meat, and produce than seems justified by this study.

The opposite is true for the Kroger stores. The overall image of the three Kroger stores by the consumers surveyed was average to slightly below average. Because of this, consumer ratings are less favorable on certain characteristics (prices for example) than warranted by the findings of this study.

The foregoing suggests that some bias does exist in consumer ratings of the alternative stores. This seems to be particularly true for Stores 3, 4, and 11. This would indicate the need for caution when comparing ratings for stores on individual characteristics. The fact that Store 4 is rated the best store for meat may not be due so much to the meat department in this store, as it is to the overall strong image of the store. The opposite is true for Store 9 which carries the least favorable

image of the 10 stores ranked.

What About the Neighborhood Stores?---Seven neighborhood stores were price checked for the smaller market basket of 20 items. Although not according to plan, three stores were checked on five occasions, one store was checked four times, one store--three times, and two stores were checked only twice. All seven stores were identified in the consumer survey as stores that were patronized to some extent by the respondents.

The stores, the number of observations and the average cost of the small market basket in each were as follows:

	<u>No. of Observations</u>	<u>Cost of Small Basket</u>
Jimmy's	3	\$5.98
Cash & Carry	2	6.22
J & F Market	5	6.32
Food Fair	4	6.41
Ohio Market	5	6.49
Economy	5	6.51
Johnnies	2	6.86
Average		<hr/> \$6.40

For comparison purposes, small market basket costs were computed for the six large stores within the Model City. The average costs were as follows:

Kroger (E. Main)	\$5.67
Kroger(Greenway)	5.91
Big Bear	5.91
IGA	5.94
A & P	5.97
Royal Blue	6.07
Average	<hr/> \$5.91

For this limited group of items, the neighborhood stores average 8 percent higher in cost than the large markets. The range in cost is much greater for the neighborhood stores, with one store--Jimmy's--being very competitive with most of the large stores, and significantly lower (0.05) than five of the other six neighborhood stores.

Statistically, the Royal Blue store was not significantly different in price from Jimmy's or Cash and Carry. However, it was significantly lower (.05) than the other five higher priced neighborhood stores.

The number of observations in these stores makes it hazardous to draw conclusions concerning "Mother's Day" prices. In the four stores where four or more price checks were made, there was no obvious increase in prices at the beginning of the month.³¹

The enumerator for the study also recorded subjective appraisals of product quality and store appearance for the neighborhood stores. The condition of these stores was generally much poorer than the larger stores--particularly the chain supermarkets. Meat and produce quality and freshness also left something to be desired in many cases.

³¹An additional factor was the timing of the first price check. The first price check in the large stores was purposely made when welfare checks were being received in order to catch inflated prices--if they existed--before store operators realized they were being observed. With the neighborhood store, however, price checks were started in the middle of the month, providing no such shield from detection.

These stores are relatively small and often have older facilities, refrigerated equipment, etc. Under these conditions, cleanliness and perishable freshness are much more difficult to maintain. This, however, does not excuse poor conditions. More rigid enforcement of health codes may be necessary to encourage the modernization of facilities where this is a major impediment to fresh, wholesome food.

WHAT DOES THIS MEAN?

An effort has been made to ascertain the accuracy of certain charges made in relation to retail food stores in the inner city area of Columbus, Ohio. One charge frequently made, not only in Columbus, but across the country is that the retail food chains charge more for similar items in their inner city stores than in their stores located in the suburbs. In this study, no support was found for that charge. On the contrary, in two of the chains studied, the cost of a market basket of food was significantly lower in their inner city stores than in their stores located in a suburban shopping center.

Another charge frequently made, particularly by food shoppers receiving some form of public assistance, is that prices are increased when assistance checks are issued. At the time this study was made, no support was found for this allegation. Food prices in supermarkets in which

data were collected were no different at welfare check times than at other times of the month. This was true not only for a market basket of food, but also for individual items.

There was support for the charge that stores located in the inner city are in poorer general condition than those in the suburbs. This was especially true for the neighborhood stores. Stores located in the inner city are often older stores that are difficult to keep clean and attractive. Equipment is older and may not always be in the best of operating order.

Problems of poor meat and produce quality were noted--particularly in the medium-sized affiliated stores and in the neighborhood stores. The inner city stores were found to carry less variety in their meat department; the fat content of ground beef was higher; and sanitation was poorer. Relatively few quality differences were noted in comparing chain stores within the Model City with their counterparts outside.

Another problem that was subjectively verified was the relative scarcity of supermarkets--particularly in certain parts of the inner city--and the great abundance of neighborhood stores. This may result in inner city residents buying a higher proportion of their food from neighborhood grocery stores than is true for suburbanites. If this is the case (this study collected no information on the amount spent in different stores), then inner city consumers do pay more for their food because of the higher prices charged by neighborhood stores (8 percent more on the average in this study).

The fact that the large majority of the consumers interviewed said they purchased most of their food in supermarkets gives no indication of whether "most" represents 30 percent, 50 percent, 70 percent or 90 percent of their food expenditures. Because of the large number of neighborhood stores in the inner city, the poorer storage facilities of inner city residents, and the limited financial resources of these people, it appears likely that they do shop more frequently for food and buy a smaller proportion of their weekly needs during their major shopping trip than is true for their suburban counterparts.

While this suggests the need for more supermarkets in the inner city, other evidence raises questions about the economic feasibility of additional supermarkets. The existing supermarkets, while believed to be profitable, appear to be far short of the volume they could handle. In part this may reflect their rather poor geographical distribution within the Model City. As Figure 2 in the Appendix shows, the western half of the area is devoid of supermarkets.

The captive attitude expressed by the residents supports the hypothesis that even though the majority patronize a supermarket for their major shopping trip, much food is purchased from stores in their neighborhood because of limited mobility. If true, the real need may be for a larger number of modern, well operated, medium-sized stores or "mini supermarkets" that are

well distributed throughout the area, rather than additional large super-markets that depend on drawing customers from rather large areas. This suggestion is contrary to the position taken by Sturdivant who says:

"One of the cruelest ironies of our economic system is that the disadvantaged are generally served by the least efficient segments of the business community. The spacious, well-stocked, and efficiently managed stores characteristic of America's highly advanced distribution system are rarely present in the ghetto....Instead, their shopping districts are dotted with small inefficient 'mom and pop' establishments...."

Later in this article, he says,

"...many legislators seem eager to perpetuate the system by calling for expanded activities by the Small Business Administration in offering assistance to more small firms that do business in the ghettos....If the plight of the ghetto consumer is to be dramatically relieved, this will not come about through measures designed to multiply the number of inefficient retailers serving these people."³²

While it must be recognized that Sturdivant is referring to all retailing--not just food retailing and that there is much truth in his statement as far as the present situation is concerned, his view of the needed remedy has two dangerously weak underlying assumptions when applied to food retailing. First, he assumes that consumer shopping behavior in the ghetto would be similar to that of consumers in higher income areas--if "spacious, well-stocked, and efficiently managed stores" were available. This proposition might well be true, if shopping impediments such as limited mobility, available cash, etc. were removed. Hopefully, education, training, and improved job opportunities will erase such

³²Frederick D. Sturdivant, "Better Deal for Ghetto Shoppers," Harvard Business Review (March-April, 1968), pp. 132, 135, and 136.

impediments. But, at the present time, and likely into the near future, they are constraints that limit the size of a store's trading area and hence its potential sales. Their effect cannot be overlooked.

Second, he assumes that small stores are less efficient, higher cost operations than large stores. This very well may be true when comparing Sears to small retailers of comparable merchandise. However, in food retailing, it is not necessarily true. The National Commission on Food Marketing, after examining the scale economies in food retailing, concluded "that (1) store size has little effect on store costs but that (2) store utilization has a very significant effect on store costs."³³

Fixed costs make up a high proportion of the operating expenses of a retail food store. Under these conditions, as sales volume increases, average costs per dollar of sales declines rather rapidly. Thus, above a minimum-sized facility (around 2000 square feet), sales per square foot of store space is a much better indicator of store efficiency than the total size of the stores.

Large firms do have some advantages in procurement and in distribution efficiency. This is true, however, regardless of whether the firm is a corporate chain or an affiliated wholesaler. And, while the latter is more

³³Organization and Competition in Food Retailing, Technical Study No. 7, National Commission on Food Marketing (Washington, D. C.: U.S. Government Printing Office, June, 1966), p. 140.

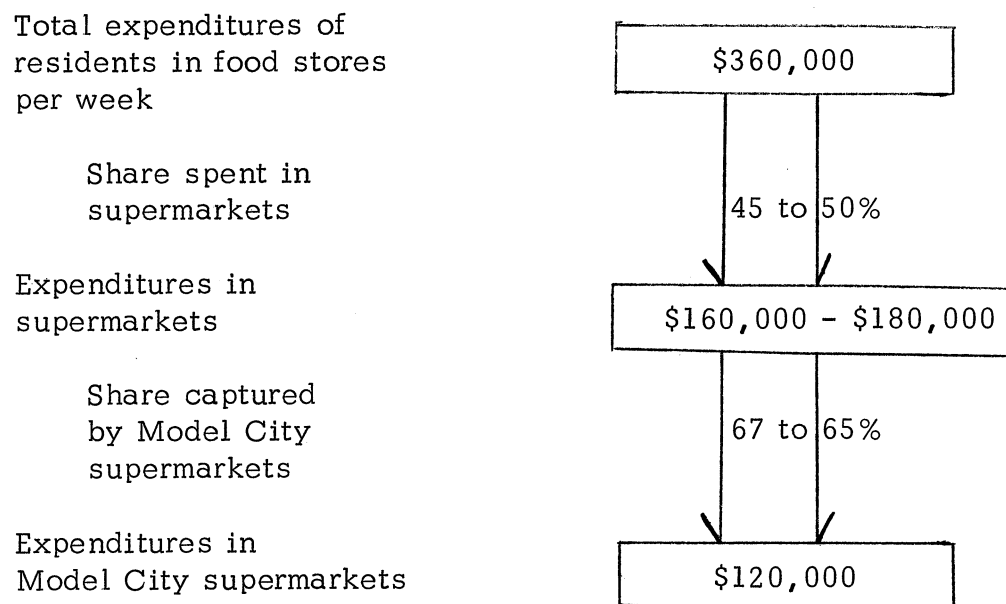
likely to service the smaller stores (since most are operated by individual owners), there is nothing other than inertia to prevent corporate chains from developing and operating a group of mini-supers. In either case, the procurement cost of smaller stores could be very similar to large stores.

Large, modern supermarkets obviously have certain inherent advantages over small or medium-sized, equally modern, stores. (Variety and selection of merchandise, personnel scheduling and specialization, usually higher quality perishable departments, and some efficiencies in product handling, for example). The foregoing argument is certainly not aimed at dismissing the need for supermarkets in ghetto areas. However, it is aimed at those (including Professor Sturdivant and the recently issued Federal Trade Commission report) who have concluded that an increased number of large modern supermarkets is the fundamental ingredient in solving the food shopping problems in the inner cities. In the opinion of the authors, this position ignores the growing body of evidence--albeit partially circumstantial--that even an adequate number of supermarkets will capture a relatively small share of grocery expenditures in ghetto areas; and that a different approach to retailing is called for than the one that has been so successful in suburban America.

Dixon and McLaughlin³⁴, in a study of a Philadelphia inner city area, estimated that only 8 or 9 percent of the area's food sales were represented

³⁴Donald Dixon and Daniel J. McLaughlin, Jr., "Do the Inner City Poor Pay More for Food?", Economic and Business Bulletin, Vol. 20 (Philadelphia, Pennsylvania: School of Business Administration, Temple University, Spring 1968), pp. 6-12.

by inner city supermarkets. In the Columbus study, the four chain supermarkets in the Model City were estimated to represent one-third of the food expenditures in the area. And, judging from other studies, this area has more supermarkets than many ghetto areas. Based on industry estimates and the data available, the expenditure pattern in the Model City is estimated to be as follows:



The critical figure for this discussion is the share of food store expenditures that is spent in supermarkets. The estimated share of 45 percent to 50 percent is substantially below the national estimate of 69 percent.³⁵ Since the latter figure would include data from low income areas, the share in middle and high income suburbs may be closer to 75 percent.

³⁵"36th Annual Report of the Grocery Industry," Progressive Grocer Magazine (New York, New York: April, 1969), pp. 57 and 61.

This difference in expenditure patterns--the authors contend-- is due primarily to differences in the shopping behavior of suburban and inner city residents, not to the absence of available supermarkets. Even with the addition of more supermarkets in the Model City area, it is doubtful that the share of food purchases being spent in small stores and superettes would be reduced much below 50 percent--or double the share in higher income areas.

What Can Be Done?

Given the identified need for both a large number of modern, well-operated stores and more rigid enforcement of health regulations in the inner city in order to assure minimum standards of sanitation and wholesomeness, what can be done to alleviate these needs? The latter is a function of regulatory agencies, which are responsive--at least to some degree--to public concern. However, the development of more "good" stores depends on initiative from the private sector.

The United States' economic system largely relies on the lure of profit to provide direction to business enterprises. If a needed product or service is not being satisfied by existing enterprises, and if it can be satisfied at a satisfactory profit, some alert entrepreneur is expected to "jump at the chance."

If more stores are needed in inner city areas, why hasn't this need been met? Is the lure of profit lacking, the environment too foreboding,

or what? It seems apparent that the environment of these areas is an important barrier. The idea of establishing a store in a high crime rate neighborhood--to service a predominantly Negro community with whom they have had little experience is not appealing to many white outside merchants. As one independent owner told the authors, "You couldn't pay me enough to locate a store in that area."

Industry representatives also indicate that inner city stores tend to be relatively unprofitable due to higher operating costs. They say that insurance premiums, pilferage, vandalism damage, and leasing costs are all higher in inner city stores than in suburban markets. For the independent owner-operator, financing and insurance coverage are often too expensive to be practical.³⁶

One chain executive said, "As a low income area expands and gradually engulfs one of our stores, the sales and profitability of that store decline. We usually continue to operate it as long as profits will justify, then we either sell the store or close and replace it with a store in the suburbs. This is a pattern that we've observed in several of our stores."

At this point, there is no solid research information available on the economics of operating a food store in inner city areas. One such

³⁶Sturdivant found that less than 10 percent of the merchants interviewed in Watts had insurance before the 1965 riots. *Ibid.*, p. 135.

study is presently in progress at the University of Massachusetts, but as yet researchers have released no findings.³⁷ Three frequent practices of corporate chains may contribute to higher cost operations in inner city markets. The first of these is permitting the facilities of inner city stores to gradually deteriorate instead of periodically remodeling and modernizing. The second is the assignment of the better managers to the largest and most profitable stores, which are usually in the suburbs. Under this procedure, the inner city stores, which in fact may be more difficult to manage, often receive the least competent managers. The third is pursuing a "supermarket only" development pattern--similar to that in the suburbs--in an area where shopping habits are significantly different. This may result in underutilization of store facilities and higher operating costs per dollar of sales.

The first two of these practices reflect a negative, defensive approach to operating food stores in the inner city. Apparently, in many chains management doesn't expect these stores to be profitable and reflects this in the resources allocated. One might raise the question of what would happen if management assumed a positive stance that viewed the inner city as a market opportunity, that provided facilities and personnel equal in quality to suburban stores, and that seriously sought to understand, employ,

³⁷This study is being conducted by Donald R. Marion, Department of Agriculture and Food Economics, University of Massachusetts, Amherst, Massachusetts.

and serve the needs of inner city residents?

However, even with a positive approach, and with the development of the size and type store appropriate for the area, if operating costs are higher in inner city stores, stores face the alternatives of either charging higher prices or realizing unsatisfactory profits. In addition, they face a higher risk situation, and greater problems in manning the store with competent employees. If these conditions are present, it hardly represents an attractive opportunity for chains, let alone for outside independents.

Under these conditions, government assistance may be needed to stimulate the expansion and modernization of existing stores and the establishment of new stores. The thrust of this assistance should be consistent with the needs of the areas, which in most cases would call for some additional supermarkets and a large number of modern, medium-sized "mini-supers." Most ghetto areas already have an abundance of small neighborhood "mom and pop" stores. More should not be encouraged. The nature of this assistance might be providing loans and insurance at competitive rates. Or, as Sturdivant has suggested, a program of investment guarantees and investment credit may be a more effective stimulant.

However, regardless of the exact nature of the assistance program (which we leave to wiser minds than ours to determine), it is critical that the real problems such a program seeks to overcome should be correctly

identified. While the authors have attempted to do this, based on evidence available, additional research on consumer shopping behavior, expenditure patterns, and store trading areas is needed to determine the optimum structure of retailing in inner city areas.

Implications for Consumer Education

For the families living in the inner city, the study results show that shopping trips outside the area will not necessarily result in lower market basket costs. By carefully selecting a supermarket within the inner city, residents can buy their food as economically as outside the area. By shopping the lowest priced supermarket in this study, food costs would be about six percent less than in the highest priced supermarket in the inner city, and approximately 12 percent less than in the neighborhood stores studied.

If families in the inner city have a difficult time making ends meet, and find that there just isn't enough money left to buy an adequate supply of food, one could well ask, "Why aren't they using Federal Food Stamps?" Of the families interviewed in this study, only about eight percent were buying the stamps to purchase food. Unfortunately, information was not available on the proportion of the families in the Model City that were eligible for food stamps, nor could any research be found to indicate how this level of usage compares to other areas. In view of these unknowns, an appraisal of the Food Stamp Program's effectiveness is hazardous. It

is apparent that more research is needed to study the impediments to using food stamps and to propose possible solutions.

It would seem that many of the findings of this study could lend support and direction to the Expanded Nutrition Program of the Cooperative Extension Service. Knowing what factors are important to inner city shoppers in selecting stores in which to shop, where they shop, how frequently--all provide insight into the inner city shopper. As previously suggested, certain aspects of her shopping behavior were not adequately examined, such as the amount spent in different stores, and the size, brand, and type of food products purchased. These warrant investigation to provide insights on how low income people can both economize on food purchases and realize a nutritious diet.

The role of food in the lives of America's poor is critical--both in the share of their income required, and perhaps more importantly, in the impact of malnutrition on mental alertness, growth and stability. Hopefully, this study provides an essential building block to understand the nature of the problem and to develop creative ways of solving the problem.

APPENDIX

Consumer Interview Form
Food Shopping Study, Summer 1968

1. Where do you buy most of your food?
Store Name _____ Location _____
2. How do you get to and from the store? _____
3. At what other food stores do you most often shop?
Supermarket _____ Location _____
Neighborhood Store _____ Location _____
4. Where do you buy most of your meats?
Store Name _____ Location _____
5. Where do you buy most of your fresh fruits and vegetables?
Store Name _____ Location _____
6. Where do you buy most of your dairy products (milk, cheese, butter)?
Store Name _____ Location _____
7. Do you usually buy and use Federal Food Stamps? YES _____ NO _____
8. How much do you usually spend for food for one week? \$ _____
9. How many persons are living in your household? _____ Over age 18
_____ Under age 18
10. Is the head of the household (please check (✓) which line) _____ Male
_____ Female
11. How old is the head of the household? Please check (✓).
_____ Under 30 _____ 30-45 _____ 46-60 _____ Over 60
12. What is the occupation of the head of the household? _____
13. How many years of schooling has the head of the household had? _____ Yrs.
14. How much money does your family have coming in a year? _____ Under \$2000
_____ \$2000-\$4000
_____ Over \$4000
15. Why do you shop for food where you do?

Food Store Grade Card

Please grade the food stores that you are familiar with using the following grading system:

- A - Excellent
 B - Good
 C - Fair
 D - Poor

Circle the letter you choose.

Store				
Location				
Meats	A B C D	A B C D	A B C D	A B C D
Fresh Fruits and Vegetables	A B C D	A B C D	A B C D	A B C D
Dairy Products (milk, cheese, etc.)	A B C D	A B C D	A B C D	A B C D
Selection of Merchandise	A B C D	A B C D	A B C D	A B C D
Prices	A B C D	A B C D	A B C D	A B C D
Weekly Specials	A B C D	A B C D	A B C D	A B C D
Convenience of Store Location	A B C D	A B C D	A B C D	A B C D
Courtesy and Friendliness	A B C D	A B C D	A B C D	A B C D
Cleanliness and Neatness	A B C D	A B C D	A B C D	A B C D
Concern for Community	A B C D	A B C D	A B C D	A B C D
Check Cashing	A B C D	A B C D	A B C D	A B C D
Checkout Service	A B C D	A B C D	A B C D	A B C D
Parking Facilities	A B C D	A B C D	A B C D	A B C D
Overall Rating	A B C D	A B C D	A B C D	A B C D

Description of Items Priced in Supermarkets
And in Neighborhood Stores (Marked With *)

BREADS & CEREALS

- * 1. White bread, sliced and wrapped, 16 or 20 oz. loaf, specify weight, price both national brand as Wonder or Tastee and also private label.
- * 2. White flour, all purpose, Gold Medal or Pillsbury, 5 lb. sack.
- 3. Rice, white, long grain regular (if not available price quick cooking), 16 oz. package, exclude bulk and converted rice.
- 4. Cornmeal, yellow, Quaker, one pound.
- * 5. Cookies, cream sandwich, machine made, with cream filling, chocolate, 16 oz. bag or box, Oreo, Sunshine, or Hydrox.
- * 6. Crackers, saltines, Nabisco, Sunshine, one pound box, exclude club, store brand, or snack crackers.
- 7. Noodles, Delmonico, Foulds, one pound, exclude extra wide, special use ones.
- 8. Corn flakes, 12 oz. package, Kelloggs, exclude sugar coated.

DAIRY PRODUCTS

- * 9. Whole white milk--fresh, pasteurized, homogenized, vitamin D added, (sold in stores), 3.5 percent butterfat, half gallon carton or bottle, exclude premium priced milk, do not include bottle deposits in price reported, price both Borden's and private label.
- * 10. Milk, canned, evaporated, unsweetened, 14 1/2 oz. can, exclude sweetened condensed milk, price Pet or Carnation.
- * 11. Ice Cream, prepackaged vanilla or chocolate, half-gallon, exclude ice milk and special types such as French style, price Borden's or Sealtest.
- 12. Butter, salted, Land O'Lakes, one pound package, exclude whipped butter.

MEAT, POULTRY, AND FISH

- * 13. Chicken--fryers, ready-to-cook, whole, weighing 1 3/4 to 2 3/4 pounds, if whole chicken is not available, price cut-up chicken, if fresh is not available, price frozen, U. S. Grade A or best quality, one pound.
- * 14. Ground beef--pre-ground and ready for sale (not hamburger), if not available price ground chuck, but exclude ground round steak and meat patties, one pound.
- * 15. Bacon, sliced and packaged, best quality, one pound package, Sugardale, Swift, Armour, Kahn, and other regional or national packers, but do not price store brand.
- * 16. Bologna, prepackaged, sliced, all meat, 3 to 5 inches in diameter, 5 to 11 oz. package, do not price store brand, but best of packers.
- 17. Frankfurters, or weiners, skinless, containing a combination of beef, pork, and veal, packaged, 16 oz. (one pound), exclude frankfurters with hog casing, cereal added, and all beef, Sugardale, Swift, Armour, Kahn and other regional or national packers, but do not price store brand.

FRESH FRUITS AND VEGETABLES

- * 18. Potatoes, white or Irish, red skinned potatoes are acceptable. U. S. No. 1, 10 pounds, exclude large sizes and select baking potatoes selling at premium price.
- * 19. Bananas, first quality, one pound.
- 20. Apples, all purpose, U.S. No. 1 or U.S. Fancy, medium size, 2 1/2 to 3 inches, one pound, exclude cooking and all varieties of Delicious.
- * 21. Tomatoes, U.S. No. 1, or best quality, exclude greenhouse unless no others available to meet specifications, one pound.
- * 22. Lettuce--head, all varieties, 24's or nearest size available, 1 head.

23. Onions, common yellow dry cooking globe type, all varieties, U. S. No. 1, one pound, exclude Bermuda and Spanish onions.
24. Carrots, prepackaged, topped, all varieties, one pound.

OTHER FOODS

Eggs

- * 25. Eggs, large grade A, one dozen.

Fats & Oils

- * 26. Margarine--colored, Good Luck or Blue Bonnet, one pound carton, exclude margarine made from 100 percent corn or safflower oil, and whipped margarine.
27. Salad or cooking oil, Wesson, all vegetable oil, may be cottonseed, corn, peanut, or soybean or a blend, pint bottle (16 oz.), exclude safflower oil.
28. Peanut butter, cream style, 12 oz. jar, Peter Pan or Skippy.

Beverages

29. Cola drink--cola flavored carbonated beverage in bottles, carton of 6 to 8 bottles, 10 to 12 oz. size, specify, exclude bottle deposit and diet cola, price Pepsi or Coca Cola.
- * 30. Ground coffee, roasted, in air-tight can, Maxwell House, one pound, exclude decaffeinated coffee.
- * 31. Instant coffee, Maxwell House, 6 oz. jar, exclude decaffeinated.

Sugars and Sweets

- * 32. White sugar--Domino or Jack Frost, white, granulated, cane or beet, 5 lbs., exclude lump or cube.
33. Candy, Hershey chocolate kisses, one pound.
- * 34. Grape Jelly, Welsh or Kraft, 10 oz. jar.

Prepared and Partially Prepared and Condiments

35. Chicken soup, canned, Campbells, condensed, with rice or noodles, 10 1/2 oz. can.
36. Tomato catsup, Hunt's, Heinz, Del Monte, 14 oz. bottle exclude premium types.
37. Gelatin dessert, Jello, 3 oz. package.

Table 7. Prices Observed on Seven Price Checks, Ontario Discount Store

	Wt.	Tues. 8/6	Thurs. 8/8	Fri. 8/16	Tues. 8/20	Thurs. 8/29	Wed. 9/4	Fri. 9/6
Bread	2.35	.29	.29	.29	.29	.29	.29	.29
Flour	.23	.49	.49	.49	.49	.49	.49	.49
Cornmeal	.37	.23	.23	.25	.23	.23	.23	.25
Cookies	.53	.49	.49	.49	.49	.49	.49	.49
Crackers	.36	.35	.35	.37	.35	.35	.35	.35
Cornflakes	.28	.27	.29	.31	.31	.27	.27	.27
Milk	2.43	.56	.56	.56	.56	.56	.56	.56
Evaporated Milk	.90	.16	.16	.1725	.16	.16	.16	.16
Chicken	2.20	.33	.33	.35	.43	.33	.33	.35
Ground Beef	.94	.63	.63	.63	.65	.63	.63	.65
Frankfurters	.42	.69	.79	.69	.69	.69	.69	.69
Potatoes	.31	.89	.59*	1.05	1.09	1.09	1.05	.99
Bananas	1.05	.17	.19	.19	.15	.17	.17	.10*
Tomatoes	.68	.446	.446	.39	.39	.39	.39	.39
Lettuce	.68	.12	.29	.29	.29	.12	.29	.29
Dry Onions	.56	.15	.15	.19	.17	.15	.15	.15
Eggs	.90	.51	.55	.53	.53	.45*	.51	.51
Margarine	.65	.28	.32	.28	.31	.28	.28	.31
Salad Oil	.27	.163	.43	.45	.41	.49	.49	.43
Peanut Butter	.27	.37	.37	.37	.39	.37	.37	.37
Cola	.44	.57	.57	.57	.59	.57	.57	.57
Ground Coffee	.45	.79	.79	.79	.79	.79	.79	.59*
Instant Coffee	.24	.99	.99	.99	.99	.99	.99	.99
Sugar	.35	.55	.55	.54	.55	.55	.55	.55
Grape Jelly	.29	.25	.25	.25	.29	.25	.25	.25
Chicken-Noodle Soup	.61	.15	.15	.15	.15	.15	.15	.125
Catsup	.19	.19	.19	.19	.26	.19	.19	.26
Jello	.13	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket		7.42	7.56	7.76	7.95	7.47	7.63	7.52

* Advertised features

Table 8. Prices Observed on Seven Price Checks, East Main Big Bear

	Tues. 8/6	Fri. 8/9	Thurs. 8/15	Mon. 8/19	Thurs. 8/29	Tues. 9/3	Thurs. 9/5
Bread (20 oz.)	.29	.29	.29	.29	.29	.29	.29
Flour	.50	.50	.60	.50	.60	.60	.60
Cornmeal	.23	.23	.23	.24	.23	.23	.23
Cookies	.49	.49	.51*	.45	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35*
Cornflakes	.29	.29	.29	.31	.29	.29	.29
Milk (Borden)	.55	.55	.55	.54	.55	.55	.55
Evaporated Milk	.16	.16	.16	.16	.16	.16	.16
Chicken	.45	.29*	.45	.45	.45	.45	.45
Ground Beef	.63	.63	.49	.67	.49	.49	.49
Frankfurters	.69	.59	.71	.79	.69	.69	.69
Potatoes	.67	.69	.89*	.89	.98	.98	1.10
Bananas	.195	.195	.20	.10	.20	.20	.20
Tomatoes	.39	.39	.39	.39	.19*	.39	.39
Lettuce	.29	.29	.29	.29	.29	.29	.29
Dry Onions	.1967	.163	.29	.29	.29	.29	.1407
Eggs	.55	.59	.53	.55	.53	.53	.53
Margarine	.32	.32	.32	.31	.32	.32	.32
Salad Oil	.35	.35	.35	.41	.35	.35	.35
Peanut Butter	.37	.37	.37	.37	.37	.37	.37
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.99	.99	.99
Sugar	.62	.62	.62	.62	.62	.62	.62
Grape Jelly	.31	.29	.31	.29	.31	.31	.29
Chicken-Noodle Soup	.15	.15	.15	.15	.15	.15	.15
Catsup	.19	.19	.27	.26	.27	.27	.27
Jello	<u>.09</u>	<u>.1075</u>	<u>.09</u>	<u>.1975</u>	<u>.09</u>	<u>.09</u>	<u>.09</u>
Total Market Basket	7.88	7.53	7.91	7.97	7.79	7.92	7.88

*Advertised features

Table 9. Prices Observed on Seven Price Checks, Town & Country Big Bear

	Tues. 8/6	Sat. 8/10	Fri. 8/16	Tues. 8/20	Thurs. 8/29	Wed. 9/4	Fri. 9/6
Bread (20 oz.)	.29	.29	.29	.29	.29	.29	.29
Flour	.50	.50	.50	.50	.50	.50	.55
Cornmeal	.23	.23	.23	.24	.23	.23	.25
Cookies	.49	.49	.51*	.45	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35*
Cornflakes	.29	.29	.29	.31	.29	.29	.29
Milk	.55	.55	.55	.55	.55	.55	.57
Evaporated Milk	.16	.16	.16	.16	.172	.172	.172
Chicken	.45	.29*	.45	.45	.45	.45	.45
Ground Beef	.59	.63	.59	.63	.59	.59	.59
Frankfurters	.89	.89	.69	.79	.67	.67	.69
Potatoes	.89	.79	.98	.98	.98	.99	.99
Bananas	.195	.195	.10	.10	.10	.10	.10
Tomatoes	.33	.33	.39	.39	.19*	.39	.39
Lettuce	.29	.29	.29	.29	.29	.29	.29
Dry Onions	.29	.145	.29	.29	.29	.29	.29
Eggs	.59	.50	.525	.55	.56	.55	.53
Margarine	.32	.33	.33	.33	.32	.32	.32
Salad Oil	.35	.35	.43	.41	.35	.35	.35
Peanut Butter	.37	.37	.39	.37	.37	.37	.39
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Beef	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.745	.745	.745
Sugar	.61	.61	.63	.62	.62	.62	.62
Grape Jelly	.31	.29	.31	.29	.31	.31	.31
Chicken-Noodle Soup	.15	.15	.15	.15	.15	.15	.15
Catsup	.19	.19	.27	.27	.27	.27	.27
Jello	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket	8.04	7.54	7.90	7.98	7.70	7.85	7.92

*Advertised features

Table 10. Prices Observed on Seven Price Checks, East Main Kroger

	Tues. 8/6	Fri. 8/9	Thurs. 8/15	Mon. 8/19	Thurs. 8/29	Tues. 9/3	Thurs. 9/5
Bread (20 oz.)	.29	.29	.29	.29	.29	.29	.29
Flour	.50	.49	.44	.44	.49*	.44	.49*
Cornmeal	.25	.25	.25	.25	.25	.25	.25
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35
Cornflakes	.27	.27	.27	.27	.27	.27	.29
Milk (Borden)	.54	.55	.54	.54	.54	.54	.54
Evaporated Milk	.16	.16	.16	.16	.16	.16	.16
Chicken	.29	.29	.35	.45	.29*	.35	.35
Ground Beef	.67	.67	.67	.67	.67	.67	.67
Frankfurters	.69	.69	.69	.79	.69	.69	.69
Potatoes	.99	.79	.99	1.18	.99	.99	.59*
Bananas	.145	.145	.1967	.10	.196	.19	.13*
Tomatoes	.39	.39	.39	.39	.39	.39	.29*
Lettuce	.35	.29	.19	.29	.19*	.19	.19*
Dry Onions	.29	.29	.1967	.1967	.1967	.1967	.1967
Eggs	.53	.53	.53	.54	.53	.53	.53
Margarine	.30	.30	.26*	.31	.30	.30	.30
Salad Oil	.41	.41	.41	.39	.41	.41	.41
Peanut Butter	.37*	.37	.37	.37	.37	.37	.37*
Cola	.57	.59	.57	.59	.57	.57	.57
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.99	.99	.99
Sugar	.62	.62	.62	.62	.62	.62	.62
Grape Jelly	.27	.27	.27	.29	.27	.27	.27
Chicken-Noodle Soup	.15	.15	.15	.15	.15	.15	.15
Catsup	.21	.19*	.19	.19	.19	.19	.19
Jello	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket	7.69	7.58	7.64	7.91	7.53	7.66	7.42

*Advertised features

Table 11. Prices Observed on Seven Price Checks, Greenway Kroger

	Tues. 8/6	Fri. 8/9	Fri. 8/16	Mon. 8/19	Wed. 8/28	Tues. 9/3	Thurs. 9/5
Bread (20 oz.)	.29	.29	.29	.29	.29	.29	.29
Flour	.44	.44	.44	.45	.49*	.44	.44
Cornmeal	.25	.25	.25	.25	.25	.25	.25
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35
Cornflakes	.27	.27	.29	.27	.29	.29	.31
Milk	.54	.55	.55	.55	.54	.54	.56
Evaporated Milk	.16	.16	.16	.16	.16	.16	.16
Chicken	.45	.43	.43	.45	.29*	.45	.45
Ground Beef	.67	.63	.67	.65	.65	.65	.65
Frankfurters	.79	.79	.69	.79	.69	.69	.69
Potatoes	.79	.79	.99	.99	.89	.89	.59*
Bananas	.19	.19	.10	.10	.16	.10	.13*
Tomatoes	.39	.39	.39	.39	.39	.39	.29*
Lettuce	.29	.29	.29	.29	.19*	.25	.19*
Dry Onions	.29	.29	.1967	.1967	.29	.29	.29
Eggs	.55	.55	.55	.53	.54	.54	.55
Margarine	.30	.32	.26*	.30	.29	.29	.29
Salad Oil	.41	.41	.41	.39	.41	.41	.41
Peanut Butter	.37	.39	.37	.37	.37	.37	.37*
Cola	.57	.57	.57	.57	.57	.57	.59
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.99	.99	.99
Sugar	.62	.62	.62	.62	.62	.62	.63
Grape Jelly	.27	.27	.29	.29	.27	.27	.27
Chicken-Noodle Soup	.15	.15	.15	.15	.15	.15	.15
Catsup	.19	.19	.19	.19	.15	.15	.17
Jello	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket	7.99	7.96	7.83	7.90	7.43	7.82	7.73

*Advertised features

Table 12. Prices Observed on Seven Price Checks, Town & Country Kroger

	Tues. 8/6	Sat. 8/10	Fri. 8/16	Tues. 8/20	Thurs. 8/29	Wed. 9/4	Fri. 9/6
Bread	.29	.29	.29	.29	.29	.29	.29
Flour	.49	.50	.49	.49	.49*	.49	.49*
Cornmeal	.25	.25	.25	.25	.25	.25	.25
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35
Cornflakes	.27	.27	.27	.27	.27	.27	.29
Milk (Borden)	.54	.54	.54	.54	.54	.54	.55
Evaporated Milk	.16	.16	.16	.16	.16	.16	.16
Chicken	.49	.45	.49	.45	.29*	.49	.45
Ground Beef	.67	.67	.67	.67	.67	.67	.65
Frankfurters	.69	.69	.69	.79	.69	.69	.69
Potatoes	.79	.79	.99	.99	.99	.89	.59*
Bananas	.195	.195	.195	.10	.195	.195	.13*
Tomatoes	.39	.39	.39	.39	.39	.39	.29*
Lettuce	.29	.29	.19	.19	.19*	.19	.19*
Dry Onions	.29	.29	.29	.17	.29	.29	.29
Eggs	.51	.51	.53	.55	.53	.53	.53
Margarine	.30	.32	.26*	.30	.30	.30	.31
Salad Oil	.41	.41	.41	.41	.41	.41	.43
Peanut Butter	.37	.37	.37	.37	.37	.37	.37*
Cola	.59	.59	.59	.59	.57	.57	.57
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.99	.99	.99
Sugar	.62	.67	.63	.62	.62	.62	.62
Grape Jelly	.27	.27	.27	.27	.27	.27	.27
Chicken-Noodle Soup	.15	.15	.15	.15	.15	.15	.15
Catsup	.19	.19*	.19	.19	.19	.19	.19
Jello	.1075	.1075	.135	.1075	.1075	.1075	.1075
Total Market Basket	8.03	8.00	7.88	7.85	7.60	8.01	7.72

*Advertised features

Table 13. Prices Observed on Seven Price Checks, Kimball & Main A & P

	Tues. 8/6	Fri. 8/9	Thurs. 8/15	Mon. 8/19	Thurs. 8/29	Wed. 9/4	Thurs. 9/5
Bread	.29	.29	.29	.29	.29	.29	.29
Flour	.55	.50	.55	.55	.55	.55	.55
Cornmeal	.25	.25	.25	.25	.25	.25	.25
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35
Cornflakes	.33	.33	.33	.31	.33	.33	.33
Milk (Borden)	.55	.55	.55	.55	.55	.55	.57
Evaporated Milk	.17	.17	.1725	.1725	.1725	.1725	.1725
Chicken	.45	.45	.43	.45	.43	.43	.29*
Ground Beef	.69	.69	.65	.67	.65	.65	.65
Frankfurters	.79	.79	.79*	.79	.79	.79	.79
Potatoes	.69	.79	1.09	.99	1.09	1.09	.99
Bananas	.15	.20	.18	.18	.18	.18	.18
Tomatoes	.19	.19	.39	.39	.39	.39	.39
Lettuce	.29	.29	.29	.29	.19*	.29	.19*
Dry Onions	.21	.21	.19	.19	.19	.19	.197
Eggs	.55	.55	.55	.55	.55	.55	.53
Margarine	.31	.31	.31	.31	.31	.31	.31
Salad Oil	.43	.43	.43	.43	.43	.43	.43
Peanut Butter	.37	.37	.37	.37	.37	.37	.39
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.99	.99	.99
Sugar	.63	.63	.63	.55	.63	.63	.62
Grape Jelly	.29	.29	.29	.29	.29	.29	.29
Chicken-Noodle Soup	.175	.175	.175	.15	.175	.165	.175
Catsup	.26	.28*	.26	.26	.26	.26	.26
Jello	<u>.0825</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket	7.89	7.95	8.10	8.11	8.03	8.09	7.67

*Advertised features

Table 14. Prices Observed on Four Price Checks, North High A & P

	Thurs. 8/15	Tues. 8/20	Sat. 8/31	Wed. 9/4
Bread	.29	.29	.29	.29
Flour	.55	.55	.55	.58
Cornmeal	.25	.25	.25	.25
Cookies	.45	.45	.45	.45
Crackers	.35	.35	.35	.35
Cornflakes	.33	.33	.33	.31
Milk (Borden)	.55	.55	.55	.56
Evaporated Milk	.1725	.1725	.1725	.1725
Chicken	.47	.47	.47	.47
Ground Beef	.69	.69	.69	.69
Frankfurters	.79*	.79	.79	.79
Potatoes	1.18	1.18	1.18	1.18
Bananas	.18	.18	.18	.18
Tomatoes	.39	.39	.39	.39
Lettuce	.29	.29	.19*	.29
Dry Onions	.1967	.1967	.1967	.1967
Eggs	.55	.59	.55	.55
Margarine	.33	.33	.33	.33
Salad Oil	.43	.43	.43	.43
Peanut Butter	.37	.37	.37	.37
Cola	.59	.59	.59	.59
Ground Coffee	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99
Sugar	.63	.63	.63	.63
Grape Jelly	.27	.27	.27	.27
Chicken-Noodle Soup	.175	.175	.175	.175
Catsup	.26	.26	.26	.26
Jello	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket	8.24	8.27	8.17	8.26

*Advertised features

Table 15. Prices Observed on Seven Price Checks, Mt. Vernon IGA

	Tues. 8/6	Sat. 8/10	Sat. 8/17	Wed. 8/21	Fri. 8/30	Wed. 9/4	Fri. 9/6
Bread	.29	.29	.29	.29	.29	.29	.29
Flour	.60	.60	.49	.60	.60	.60	.60
Cornmeal	.25	.25	.25	.25	.25	.25	.25
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.37	.37	.35	.35	.37	.37	.37
Cornflakes	.31	.31	.29	.31	.31	.31	.31
Milk (Borden)	.61	.61	.61	.59	.61	.61	.61
Evaporated Milk	.1725	.1725	.1725	.16	.1725	.1725	.1725
Chicken	.35	.43	.28*	.47	.35	.45	.45
Ground Beef	.65	.53*	.65	.69	.53*	.65	.65
Frankfurters	.85	.85	.85	.79	.85	.85	.85
Potatoes	.69	.69	.99	.99	.69	.69	.39*
Bananas	.19	.10*	.19	.15	.19	.19	.19
Tomatoes	.37	.37	.37	.39	.37	.37	.37
Lettuce	.29	.29	.29	.29	.29	.29	.29
Dry Onions	.1967	.1967	.13*	.19	.1967	.1967	.13*
Eggs	.59	.59	.59	.59	.57	.57	.49*
Margarine	.32	.33	.35	.33	.25*	.33	.33
Salad Oil	.39	.41	.45	.41	.39	.39	.39
Peanut Butter	.45	.45	.39	.39	.45	.45	.45
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.98	.98	.99	.99	.98	.98	.99
Sugar	.61	.39*	.61	.62	.61	.61	.61
Grape Jelly	.27	.29	.25*	.31	.27	.27	.27
Chicken-Noodle Soup	.185	.185	.17	.17	.185	.185	.185
Catsup	.21	.26	.27	.26	.27	.26	.26
Jello	<u>.135</u>	<u>.135</u>	<u>.1075</u>	<u>.1075</u>	<u>.10*</u>	<u>.135</u>	<u>.145</u>
Total Market Basket	8.02	7.94	7.90	8.30	7.85	8.24	8.04

*Advertised features

Table 16. Prices Observed on Seven Price Checks, Park Lane IGA

	Tues. 8/6	Sat. 8/10	Fri. 8/16	Tues. 8/20	Thurs. 8/29	Wed. 9/4	Fri. 9/6
Bread (20 oz.)	.29	.29	.29	.29	.29	.29	.29
Flour	.52	.50	.56	.56	.56	.56	.56
Cornmeal	.25	.25	.25	.25	.25	.25	.25
Cookies	.49	.49	.49	.45	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35
Cornflakes	.27	.27	.27	.27	.27	.27	.27
Milk (Meadow Gold)	.51	.55	.51	.53	.51	.51	.57
Evaporated Milk	.165	.165	.165	.165	.165	.165	.17
Chicken	.45	.45	.28*	.28	.28	.28	.33
Ground Beef	.63	.53*	.59	.59	.53*	.59	.59
Frankfurters	.79	.79	.79	.79	.79	.79	.79
Potatoes	.79	.79	1.19	.99	1.09	.99	.39*
Bananas	.19	.10*	.19	.19	.19	.19	.19
Tomatoes	.29	.29	.29	.29	.29	.29	.29
Lettuce	.33	.29	.33	.31	.33	.33	.33
Dry Onions	.29	.29	.13*	.1967	.245	.245	.13*
Eggs	.57	.59	.56	.53	.56	.56	.49*
Margarine	.31	.31	.31	.31	.25*	.31	.31
Salad Oil	.29	.39	.39	.39	.39	.39	.39
Peanut Butter	.45	.45	.45	.45	.45	.45	.45
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Coffee	.69	.69	.69	.68	.69	.69	.69
Instant Coffee	.98	.99	.98	.98	.98	.99	.99
Sugar	.59	.39*	.59	.59	.59	.59	.59
Grape Jelly	.29	.29	.25*	.29	.29	.29	.29
Chicken-Noodle Soup	.165	.165	.165	.165	.165	.165	.165
Catsup	.19	.19	.24	.24	.24	.24	.24
Jello	<u>.1033</u>	<u>.1033</u>	<u>.1033</u>	<u>.1033</u>	<u>.10*</u>	<u>.116</u>	<u>.116</u>
Total Market Basket	7.85	7.70	7.49	7.46	7.44	7.51	7.46

*Advertised features

Table 17. Prices Observed on Seven Price Checks, Oak Street Royal Blue

	Sat. 8/3	Fri. 8/9	Sat. 8/17	Early Wed. 8/21	End Wed. 8/28	Tues. 9/3	Thurs. 9/5
Bread	.29	.29	.29	.29	.29	.29	.29
Flour	.64	.70	.64	.60	.65	.65	.68
Cornmeal	.37	.27	.29	.25	.27	.27	.25
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.37	.35	.39	.37	.37	.37	.35
Cornflakes	.31	.29	.29	.31	.29*	.31	.33
Milk (Borden)	.59	.59	.59	.56	.57	.57	.59
Evaporated Milk	.16	.16	.17	.16	.16	.16	.16
Chicken	.35	.45	.49	.45	.29*	.45	.45
Ground Beef	.59	.63	.59	.65	.59*	.63	.65
Frankfurters	.75	.79	.59	.69	.79	.79	.79
Potatoes	.89	.69	.98	.99	1.39*	1.05	.99
Bananas	.195	.19	.10	.10	.15	.15	.19
Tomatoes	.29	.37	.48	.39	.19*	.39	.39
Lettuce	.29	.29	.19*	.29	.29	.29	.29
Dry Onions	.15	.183	.19	.1967	.164	.164	.0967*
Eggs	.59	.59	.63	.60	.58	.58	.56
Margarine	.35	.35	.33	.33	.33	.33	.33
Salad Oil	.35	.39	.39	.41	.43	.43	.41
Peanut Butter	.39	.39	.41	.39	.37*	.37	.39
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Coffee	.79	.79	.85	.79	.79	.79	.79
Instant Coffee	.89	.99	1.01	.99	.99	.99	.99
Sugar	.61	.69	.65	.63	.65	.65	.65
Grape Jelly	.29	.29	.31	.29	.31	.31	.31
Chicken-Noodle Soup	.155	.16	.21	.16	.17	.17	.17
Catsup	.19	.20	.26	.29	.26	.26	.27
Jello	<u>.1075</u>	<u>.1075</u>	<u>.11</u>	<u>.1075</u>	<u>.117</u>	<u>.117</u>	<u>.123</u>
Total Market Basket	7.85	8.16	8.25	8.07	8.19	8.18	8.25

*Advertised features

Table 18. Prices Observed on Seven Price Checks, Village Market, Royal Blue

	Tues. 8/6	Sat. 8/10	Thurs. 8/15	Tues. 8/20	Sat. 8/31	Wed. 9/4	Fri. 9/6
Bread	.215	.215	.29	.29	.29	.29	.29
Flour	.60	.60	.60	.60	.60	.60	.60
Cornmeal	.27	.27	.27	.27	.27	.27	.27
Cookies	.49	.49	.49	.49	.49	.49	.49
Crackers	.35	.35	.35	.35	.35	.35	.35
Cornflakes	.29	.29	.29	.29	.29*	.29	.29
Milk	.56	.56	.56	.55	.56	.56	.56
Evaporated Milk	.1767	.1767	.1767	.16	.1767	.1767	.1767
Chicken	.39	.39	.47	.45	.29*	.47	.45
Ground Beef	.65	.65	.65	.69	.59*	.65	.65
Frankfurters	.59	.59	.59*	.59	.59	.59	.55*
Potatoes	.79	.79	1.45	1.95	1.39*	1.45	1.45
Bananas	.175	.175	.195	.175	.195	.195	.195
Tomatoes	.39	.39	.39	.39	.19*	.39	.39
Lettuce	.25	.25	.19*	.29	.19	.19	.19
Dry Onions	.145	.145	.19	.19	.19	.19	.0967*
Eggs	.57	.57	.59	.59	.59	.58	.57
Margarine	.33	.33	.33	.33	.33	.33	.33
Salad Oil	.43	.43	.43	.43	.43	.41	.41
Peanut Butter	.37	.37	.39	.39	.37*	.39	.39
Cola	.59	.59	.59	.59	.59	.59	.59
Ground Coffee	.79	.79	.79	.79	.79	.79	.79
Instant Coffee	.99	.99	.99	.99	.99	.99	.99
Sugar	.65	.65	.61	.61	.61	.61	.61
Grape Jelly	.29	.29	.29	.29	.29	.29	.29
Chicken-Noodle Soup	.195	.195	.195	.195	.195	.195	.195
Catsup	.29	.19	.29	.29	.29	.29	.29
Jello	<u>.0875</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>	<u>.1075</u>
Total Market Basket	7.73	7.71	8.28	8.43	7.35	8.26	8.14

*Advertised features

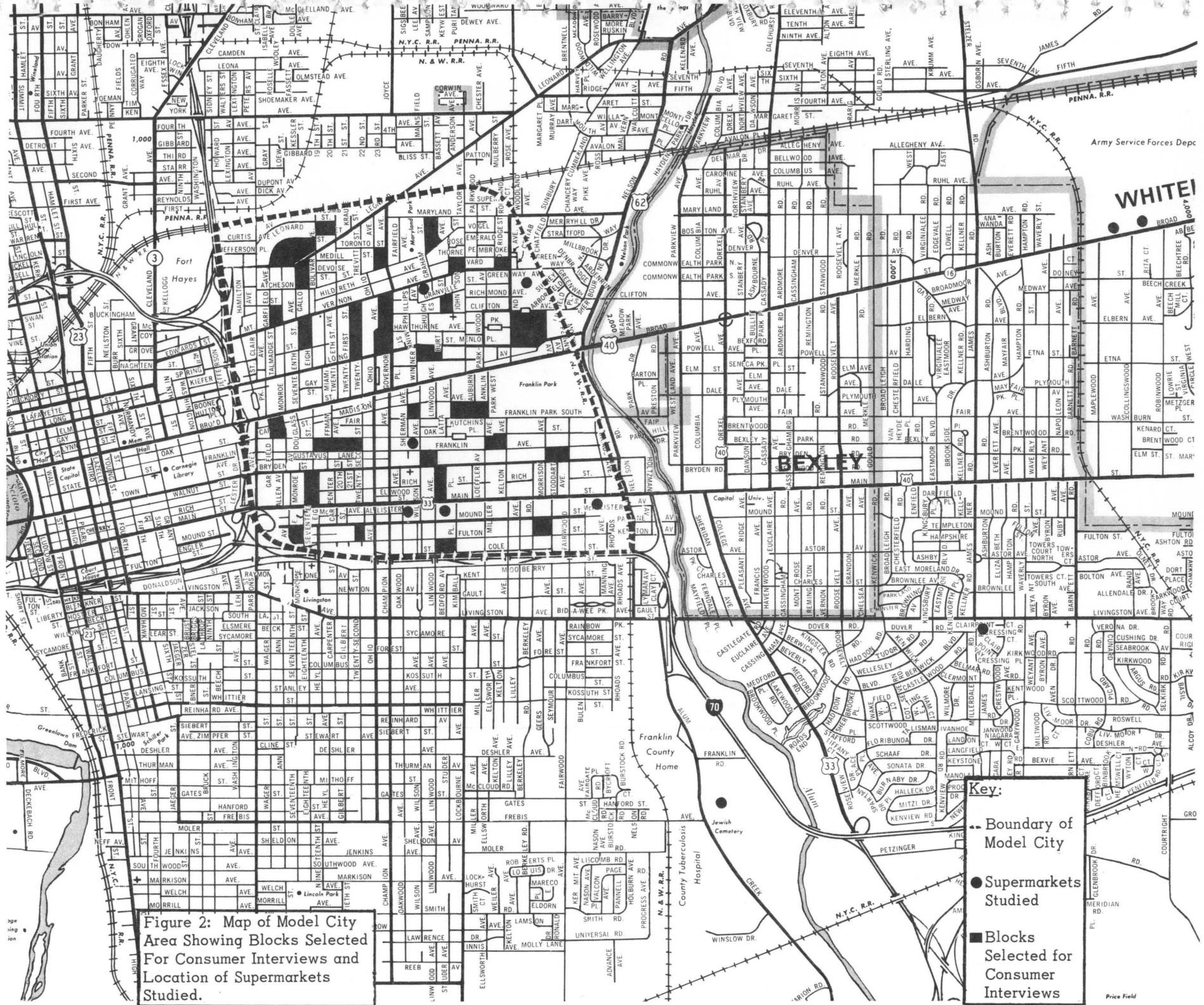


Figure 2: Map of Model City Area Showing Blocks Selected for Consumer Interviews and Location of Supermarkets Studied.

Key:

- Boundary of Model City
- Supermarkets Studied
- Blocks Selected for Consumer Interviews