

Supermarket and kroger company

[Business](#), [Company](#)



The Kroger Company is what many consider to be an American Supermarket chain, founded in 1883 by largest grocery Bernard Kroger Cincinnati Ohio. Kroger is now the second largest grocery retailer by volume failing only behind Wal-Mart. Since 2010 The Kroger Company has operated through many subsidiaries (3619) stores and was reported to do sales numbers exceeding 80 billion during for the first time in the year of (2010). The Kroger company hard work and success would not be in vain, that same year (2010) Kroger was the world's fifth largest retailer by sales revenue.

The creation of Kroger tells the story of one man's simple grocery store idea turned into a recognizable grocery force within the majority of U. S. Bernard Kroger a son of a merchant understood the opportunity and potential that the Grocery industry yielded and he wanted a fair piece of the pie. Bernard took his life savings which was \$372 dollars and set foot to take advantage of this wonderful opportunity. Kroger Opened his first store in the suburban community of Mount Airy Cincinnati offering a simple slogan that would generate success which was " Be particular ".

Bernard believes in his concept firmly trying to sell only merchandise that he himself would consider buying if he was a customer on the opposite end of the spectrum. Bernard want his store to offer a different appeal than any other at the time experimenting with things such as foodtasting and a bakery which virtually made Kroger a one stop shop for the customers convenience, at this time in society no other markets offered these amenities and Bernard hope this would deem beneficial in their competitive advantage .

The Kroger Company are pioneers of physical innovation within the grocery industry as well , they are firm believers in site for store locations being <https://assignbuster.com/supermarket-and-kroger-company/>

isolated and set apart from other business ventures . In the 1930's Kroger introduce the Four sided parking lot which offer convenient parking for all and control auto-mobile traffic. Kroger would continue to make leaps and bound in it industry, the store re branded its Kroger name in 1966 and by the early 70's became the first grocer in the United States to experiment with the notion of electronic scanners.

Expansion of the company continued with the Kroger purchasing Dillon Companies grocery chain (Located in Kansas) and all of its subsidiaries (King Soopers, City Market, Fry's Gerbes and a convenience store by the name of Kwirk shop). In the early 1990s a fourth generation descendant of J. S. Dillon (the founder of Dillon Companies) became the new reformed C. E. O of The Kroger Company , at this time Dillon reached out and obtained Pay less Food market , Owens Market , Jay C Food Store and Hilander Foods in hopes in continues the company's expansion . 1997 marked the year that Kroger merged with the fifth largest Grocery Company which was known as Fred Meyer along with all of its flourishing subsidiaries (Ralphs, QFC and Smiths.) In 2004 The Kroger Company took another leap in the grocery Industry by trying to introduce the concept of a Chain of Kroger Hyper markets. The plan was to be implemented in Columbus Ohio an area at the time that had lost their previously known hyper market (Big Bear) due to bankruptcy complications .

The ground work for how the Kroger Hyper marketplace had already been determined and the company had chosen to follow the framework of Fry's Marketplace, a Arizona division Hypermarket store operated by Kroger. The Kroger Hyper market was set to have the same products and services that

where offered by its local hyper market rivals (Meijer, Sears Grand, Super Kmart, Wal-Mart Supercenter), all rival had a host of different departments such as in-store banks, Starbucks, Gas Stations etc. that hosted an array of products and services for customer convenience and Kroger Hyper Market hoped to do the same in a competitive fashion.

The First Hyper market was developed in 2005 The Kroger Company found itself going around Ohio remodeling the Kroger Food and Drugs trying to expand and give the stores a remodeled look Transforming the traditional stores into Hyper Markets . By the year 2006 The Kroger Company had announced plans of the opening of two more hyper markets in the Suburban Cincinnati and another later that year in the city of Gahanna bring the total of hyper markets to six. The success of the Kroger hyper market quickly grew creating a demand for more through the nation.

The Kroger company offers an array of Products as well their own private Brand. Known as Cost cutter the brand was virtually generic and was known for its extremely low price, basic household items such as sugar , flour bread and canned goods all fell in the category of this private brand . The Cost Cutter Brand eventually changed its name to F. M. V which is Acronym meaning For Maximum Value and in 2007 reformed itself into the now known Kroger Value Brand. Kroger Value has expanded its product diversification line offering household products that range from food for human consumption to dog food .

With the array of products being so diverse , the product will have effect on the diversity of the target market for this reason many Kroger Value Products are sold with Bi Lingual labels appealing to English and Spanish speaking

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citizens . With the expansion of the company and its growth in the Hyper market industry the Kroger Company became to place its hand in other beneficial business ventures in hopes in generating more revenue for the company. In 2006 Kroger took a chance in partnering with the consumer product department to implement a campaign called Disney Magic selection.

This was a series of different labeling of Walt Disney Character and Pixar Character (Mickey Mouse, Goofy Etc.) in hopes of promoting healthy eating among the youth offering varieties of low fat foods, yogurts, Breakfast foods and fruit cups. Another business that Kroger offered with its hyper market was I- Wireless, I-wireless is a national wireless provider operating in junction with the Nationwide Sprint Network. The Service a variety of cell phone services in which customer can choose from monthly, Unlimited and Pay as u go plans.

None of the plans offered have activation fees that are required and a faithful customer of the hypermarket can generate minute for their phone through making qualifying purchases with ones Kroger's Shopping Card. Kroger hyper Market also offered a pharmacy service in owning a chains of Drug store call SuperRx The Kroger company understood the need of a pharmacy . Outbidding Rite Aid for the purchase of Hooks Drug Store (a pharmacy chain based out of Indianapolis IN)Kroger combined Super Rx and Hooks to create Hook's- Super Rx which was later sold to Revco and eventually they sold the store to what is now CVS.

Kroger now houses and operates more than 1900 pharmacies which are located within Kroger Markets and deem to be a profitable slice of income for the company. The Kroger Company is a growing empire started in the 1980's

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and continues to grow today. The company centralizes its headquarters in its place of origin which is downtown Cincinnati Ohio but continues to expand across the United States with its format of super markets, Hyper Markets And Kroger Branded Grocery Stores, the Company itself is considered to be a union company working in parallel with the UFCW (United Food and Commercial Workers). through research I have found that the most successful store location are due to the isolation of the site and the shopping convenience .

Housing 338000 employees The value of the company continues to grow today as constant innovations and ideas are being implemented daily to help maintain funds for the 2.182 billion dollar operating cost and to improve on the 82.189 billion dollars in revenue. The Kroger Company has grown from its original food and drug store to measure. I'm sure that where never imaginable by Bernard Kroger.

The company continues to generate more and more income with increases in the income and yearly revenues never fallen shorter than the previous year. Kroger also offers the ability for those to purchase market shares and have their fair shot at a piece of ownership of this wonderful company and the opportunity to generate personal income. Within the NYSE (New York Stock Exchange) Kroger's Stock Symbol is Kr and with its week high being 23.76 and Lows at 23.49 (according to ADVFN.com) , the asking price for a piece of this company is currently 23.3 (2012) and in looking at previous years it seems that the price per share tends to stay within the 23.6 to 25 range.

Expectation for the Kroger company on the stock in for 2012 looks promising as well, within the first quarter alone the company numbers are exceeding their expectations, with its success Kroger has gained market share of that of a <https://assignbuster.com/supermarket-and-kroger-company/>

supermarket chain and sign show that this is an indication of a sense of confidence within the company and its management team. Kroger will continue to grow with constant innovations and sticking to its original slogan "be particular".

Adapting with the time to develop more effective promotion tactics and sales promotion would deem more beneficial to the company as well. An area that I feel the company personally need to work on is promotion through mass media. Unlike its competitors such as Wal-Mart, Cost co etc. , Kroger does advertising and promotion strictly through Mail directs and the internet which is fine but is not the only method of reaching the media. Television commercials and sponsorships might be a area n which Kroger might want to consider in terms of other options of advertisement.

Although exploring these avenues would cut in to the company current revenue and add to the operating cost, these are just other platforms in which the company can get its company notice making the Kroger Logo more Identifiable on a national level. With improvement and adjustments to their Advertising and Marketing scheme The Kroger Company will continue to grow within the Grocery/ Food industry and generate more success by developing more income for years to come.

With the change in order and if implemented correctly The Kroger brand can spread across the nation leading to the national growth of the company itself as a whole. Kroger hold great potential , staying true to its original slogan "Be Particular" with the right team , attitude, innovations and a competitive marketing strategy , I feel the company will be here for many more years to com