

# Meeting Minutes for Weaver Street Market's Board of Directors

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*October 2018 Meeting*

*Monthly Board Meeting, WSM Admin Center, Hillsborough, NC, October 10, 2018, 6:00 pm to 9:30 pm*

**Directors present:** Ruffin Slater (general manager), Hank Becker (treasurer), David Bright (secretary), Jon McDonald (chair), Linda Stier, and Charles Traitor.

**Others attending:** Andy Sachs (facilitator), Brenda Camp (notes), and Susan Sachs (guest facilitator).

## 1. Preliminaries

**Owner Input:** There was no owner input.

**Agenda:** There were no changes to the agenda.

**Minutes:** Minutes from the September meeting were approved.

**Decision:** The Board approved the September minutes.

## 2. Shopper Research

### a. Annual Owner Survey in September

General Manager Ruffin Slater reported that 2,500 consumer owners had taken the annual owner survey. The survey was extended two weeks due to the disruption from Hurricane Florence. He reported that the Net Promoter Score for this year was 78 compared to 77 last year and 80 first year. Survey results are being analyzed and will include comparisons to the previous two years.

### b. New Check-out Surveys

The GM reported on the check-out surveys that started in late August: In the last 60 days, there have been 356 survey responses—a response rate of approximately 20%. Owners and shoppers completing the survey receive a \$5-off coupon. Slater reported that the survey is a simple 5-point scale about the shopping experience that generated the survey receipt: highly satisfied, satisfied, neither, dissatisfied, highly dissatisfied. The goal of the survey is to provide shopping experiences that receive 4s and 5s.

The survey is designed to provide ongoing feedback that provides comparisons across stores, across time of day, and with surveys completed by other grocery co-ops associated with the National Cooperative Grocers (NCG). For this same period, 1,836 surveys were completed by the NCG co-ops. Twice a year, Weaver Street will receive comparison data to other retail grocery stores who are also customers of survey contractor. He noted that the goal is to have 100 surveys completed per store per month, with the new Raleigh store having more frequent surveys generated at the register.

Hank Becker suggested that no one could get close to the response target rate of 60%. He offered suggestions to counter a low response rate: 1) pay attention to verbal comments, 2) ask for demographics for the check-out surveys, and 3) add to the survey the question of how long have you shopped at this store. He noted that the data could then be weighted by demographics and length of time as a shopper, which he suggested might more likely to reflect the overall member experience.

### c. National Co-op Grocers Research

Prior to the meeting, the Directors received a copy of *National Co-op Grocers 2018 Research Findings*, a report on a nationwide research study that included survey findings from 2,000 potential shoppers, non-

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owner shoppers, and owners. The study over-indexed for younger, less affluent, and non-white participants. It included 56 ethnography participants and 15 in-home face-to-face friend group discussions.

The reported provided a compelling closing statement:

In the end, it’s all about owning and communicating your key differentiators. With all of the choices out there, people see co-ops as part of the community and as having higher standards for what they carry and how they interact with people. If co-ops can pair these emotional benefits with clearly communicated functional benefits, they can stand apart. While we’ve offered a lot of ideas, they all center around showing that co-ops are good members of the community.

It concluded with final recommendations for cooperatives attracting and retaining shoppers and owners:

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| <p><b>Final Recommendations</b></p> <p><b>GIVE PEOPLE REASONS TO SHOP AND IMPROVE THE SHOPPING EXPERIENCE</b></p> <ul style="list-style-type: none"> <li>○ Focus on providing high quality, fresh, and innovative food             <ul style="list-style-type: none"> <li>• Focus on and improve fresh departments</li> <li>• Be nimble in bringing in new products and brands</li> <li>• Balance selection of local, innovative, and specialty items with affordability</li> <li>• Share best practices</li> </ul> </li> <li>○ Provide a friendlier atmosphere and better store experience             <ul style="list-style-type: none"> <li>• Improve in-store demos and sampling</li> <li>• Ensure co-op staff are friendly and well-trained in making human connections with shoppers and able to meet people where they are without judgment</li> <li>• Ensure co-op staff are welcoming to diverse shoppers</li> <li>• Ensure it is easy and welcoming for parents to shop with their kids</li> <li>• Hire diverse staff</li> </ul> </li> </ul> | <p><b>ADOPT SIMPLE OWNERSHIP REWARDS THAT PROVIDE CLEAR AND COMPELLING FINANCIAL BENEFITS</b></p> <ul style="list-style-type: none"> <li>○ Align co-ops around common ownership benefits, such as an immediate incentive for becoming an owner</li> <li>○ Make ongoing incentives clear and meaningful and frequent enough to be noticed</li> <li>○ Consider at least one annual event, which might be tied to local events</li> <li>○ Reinforce owner savings on products at store level and adopt other strategies which make it easy for owners to take advantage of sales</li> <li>○ Find ways to make ownership more affordable for low-income shoppers</li> <li>○ Reassess the cost of ownership generally, and consider how ownership at the co-op compares to membership at other retailers</li> <li>○ Ensure co-op staff are well trained on ownership and are inclusive in offering ownership to everyone—not just white shoppers</li> </ul> |
| <p><b>ADOPT A COMMON CONNECTIVE THREAD—COMMUNITY</b></p> <ul style="list-style-type: none"> <li>○ Align co-ops around common messaging</li> <li>○ Show Community through messaging and operations</li> </ul> <p><b>ADOPT PRACTICES THAT REINFORCE CO-OPS AS PLACES THAT BUILD AND SUPPORT LOCAL COMMUNITY</b></p> <ul style="list-style-type: none"> <li>○ Offer/enhance community spaces to eat, work, hang out</li> <li>○ Consider how store layout can be arranged for independent experience in deli/cafe without going through entire store</li> <li>○ Support community gathering events, such as \$3 community dinners, block parties, and farmers’ markets</li> <li>○ Support local community causes</li> <li>○ Build an ambassador network of owners and key local influencers</li> </ul>   | <p><b>IMPROVE APPEAL TO LOCAL NEIGHBORHOODS</b></p> <ul style="list-style-type: none"> <li>○ Know your local neighborhood</li> <li>○ Ensure product selection takes neighborhood cultural norms into account</li> <li>○ Hire people who live within a certain radius of the store</li> <li>○ Focus exclusive promotional offers and direct marketing on local neighborhoods</li> </ul> <p><b>COMMUNICATE CONSISTENTLY</b></p> <ul style="list-style-type: none"> <li>○ Incorporate connective thread into co-op culture and messaging</li> <li>○ Develop a national advertising campaign that can be executed locally</li> <li>○ Develop or update a playbook of marketing and communication best practices</li> <li>○ Update consumer-facing website</li> <li>○ Tier information to meet people where they are</li> <li>○ Replace “Stronger Together” tagline</li> </ul>  |

The Board will continue to discuss the research findings at the January retreat.

### 3. November Pre-Meeting Session Plan

#### a. Set the Context for the Discussion

The Directors discussed plans for November’s owner session which will focus on the topics of reducing plastic pollution and reversing climate change. The GM observed that the UN’s report on global warming provided a timely backdrop for the meeting, which will provide an opportunity for individuals to understand collective action and its impact. He reported that the discussion will focus on replacing single-use shopping bags with re-usable bags and offering returnable to-go containers. Directors agreed on the importance of establishing the context for the discussion, including stories of collective actions from other co-ops and groups around the world.

#### b. Consider the Draft Agenda

The Directors offered the following suggestions on the draft agenda proposed for the session:

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- Include an opening discussion about global warming and where the co-op fits within this broader context.
- Frame the discussion with plans for a series of discussion meetings in 2019. Then, discuss that we're starting with two things we can do now and subsequent discussions will address "what's next."
- Clearly demonstrate that eliminating paper and plastic are good choices. Add a discussion about the tradeoffs.
- Demonstrate the same conscientiousness and care that we have given to other undertakings of this scale, such as the Carrboro lawn project.
- Show that people are exposed and acceptive to big box stores like Cosco and Ikea not providing bags.
- Provide a way for people attending to stay engaged in the broader issue of global warming and provide concrete roles and actions for next steps.
- Relate the series of meetings back to the Ends and our story.
- Ask attendees to evaluate the session and use the feedback to plan future sessions.

Becker observed that there is a perceptible gulf between plastic bags and global warming, and questioned whether there were other opportunities to engage owners other than being bag ambassadors.

The Directors identified the following as potential discussion questions:

Does this make sense to you? Would your neighbors do it? Should we do this? Do you know anyone who would stop shopping if we do this?

What is the best value for doing this and why?

What are the roadblock issues?

What are goods ways to increase participation?

### **c. Process to Involve Owners Not Attending the Meeting**

After the special session, the poster display will be posted in the Carrboro store for feedback from shoppers and owners. A Board blog will be posted that describes the event, discussion highlights, and future discussion sessions.

## 4. Board Business

### **a. Board Facilitator**

Jon McDonald reported that a plan had been worked out for Susan Sachs to step in as Board facilitator for the next three months. The October meeting was the last meeting for Andy Sachs to facilitate; he served as Board facilitator for more than 25 years. Susan will attend the next agenda planning meeting and will be the facilitator for the November owner meeting and the Board meeting.

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## 5. GM Reports

### GM Report

General Manager Ruffin Slater presented his 2018 October General Report. Highlights include:

**Sales Growth:** Sales grew 6% over last year for the quarter ending in September, with Carrboro up 2%, Southern Village up 14%, and Hillsborough up 8%. Southern Village sales are up an average of 7% a year for the last two years.

#### **Raleigh Opening Update:**

- Five Raleigh managers started work October 1, and the sixth will start next week.
- We held a very successful public event on October 4.
- We began online sales of owner shares.
- 418 have signed up the WSM Raleigh newsletter.

### Monitoring Report B5: Treatment of Consumers

The GM answered questions about Monitoring Report B5: Treatment of Consumers.

- Linda Stier asked if there was a matrix for reporting compliance to the operational definition that we don't treat customers differently, that we treat each customer as a valued patron. The GM responded that the new register survey might have data to contribute to this.
- Hank Becker suggested that it would be valuable for store managers to send any customer feedback to Administrative staff so that it could be incorporated into the report. He also noted that the current feedback process does not record whether the people found the response they received satisfying.

**Decision:** The Board accepted the Monitoring Report B5: Treatment of Consumers.

## 6. Open Board Time

Hank Becker shared with the Board that even though he was not re-elected, he would continue to pursue ways for consumers to participate more in activities, decisions, and community engagement. Jon McDonald expressed deep appreciation to Andy Sachs for his years of service to the Board.

## 7. Closings

Decisions and Tasks

**Next Month's Agenda:** November Special Session, Elections Committee Report, Q1 Budget Report

**Retreat:** Come back to NCG research