



Highlights: Supermarkets

The latest issue of *Twin Cities Consumers' CHECKBOOK* magazine, available at www.checkbook.org, compares local supermarkets for price and quality, evaluates membership warehouse stores and other alternatives to conventional supermarkets, and gives tips on how to save on groceries anywhere you shop.

Comparing supermarkets for price and quality

CHECKBOOK compared prices at local supermarkets using an apples-to-apples market basket of 152 items, and compared quality based on surveys of CHECKBOOK and *Consumer Reports* subscribers. Highlights include:

- The area's price standouts were Walmart and Target. Walmart's prices averaged about 14 percent lower than the average CHECKBOOK found at the surveyed Cub Foods stores. Target's and SuperTarget's prices were 11 and nine percent, respectively, lower than Cub's. For a family that spends \$200 per week at the supermarket, a nine to 14 percent price difference could total \$940 to \$1,460 a year.
- Cub, Target, and Walmart received low ratings for quality. Walmart was rated "superior" for "overall quality" by only 32 percent of its surveyed customers, Cub by only 44 percent, and Target by 45 percent.
- Rainbow Foods, which is down to four Twin Cities area locations, had prices that were four percent higher than Cub's. Like Cub, Rainbow also received low quality ratings from its surveyed customers. Only 36 percent rated it "superior" overall.
- Newcomer Hy-Vee, which now operates two stores in the area with two more planned, offers prices about four percent lower than Cub's.
- Lunds & Byerlys, Kowalski's, and a few small markets received very high ratings from their customers for "quality of fresh produce," "quality of meats," and "overall quality." Unfortunately, that quality comes with a price—Lunds & Byerlys' prices were about 20 percent higher than Cub's; Kowalski's prices were about 24 percent higher than Cub's.
- Whole Foods Market had the highest prices in CHECKBOOK's survey; it had prices 49 percent higher than Cub's (keep in mind Whole Foods sells a limited number of comparable items included on the survey). On the other hand, Whole Foods receives very high scores for quality of fresh produce and meat, which account for many of the items CHECKBOOK could compare between Whole Foods and other chains.

Alternatives to the Supermarket—Trader Joe's and Aldi

- Trader Joe's overall ratings on CHECKBOOK's survey of customers were higher than the big chains; yet Trader Joe's generally charges prices that are just slightly higher than Cub's.
- Aldi's prices were an astounding 36 percent lower than Cub's for CHECKBOOK's full market basket including comparable national-brand items. But these savings come with a downside: Aldi was rated relatively low on many aspects of quality—but not as low as Walmart.
- Trader Joe's and Aldi both have a much more limited selection of products than traditional supermarkets—only 43 percent of the items in CHECKBOOK's market basket were available at Trader Joe's and only 59 percent at Aldi, so their customers will also have to shop elsewhere.

Buying in Bulk—Warehouse Clubs

- For purchasing certain grocery items, membership warehouse stores offer low-cost alternatives to supermarkets. CHECKBOOK surveyed Costco and Sam's Club. These membership warehouse stores had few if any of the items in CHECKBOOK's market basket in standard sizes. But when the researchers looked for the same brands regardless of size, membership warehouse stores offered a larger portion of the market basket items. Sam's Club had 53 percent and Costco had 42 percent.
- For the items that could be compared, based on unit prices (price per pound, for example), the surveyed membership warehouse stores offered dramatic savings. The surveyed Sam's Club store, for example, beat the Cub store it was compared to by a whopping 26 percent. And compared to that Cub store, the savings were about 25 percent at Costco.
- While warehouse clubs offer significant savings compared to Walmart and Target, those savings perhaps may not be enough to justify the clubs' annual membership fees if you don't shop the clubs often.

Money-saving tips wherever you shop

- Plan meals and make lists and stick to them. This will help limit impulse buying and multiple shopping trips. Shoppers can make a list of commonly purchased items in the order they come to them in the aisles, then print copies or save it in a smart phone. Mark up the list before each supermarket trip.
- Don't shop while hungry.
- Keep track of wasted food and adjust quantities purchased on future trips.
- Shop specials. If an item is priced exceptionally well, buy in quantity.
- Consider substituting store brand or generics for national brands. When CHECKBOOK substitutes cheaper generic and store brands for about one-sixth of the items in its price-shopping market basket, the total cost for the basket typically drops by about five percent.
- Go online for coupons. Most manufacturers have printable coupons on their websites, and shoppers can get even more from sites such as SmartSource.com, Coupons.com, or RedPlum.com. Some stores allow you to add coupons onto your store loyalty card via store websites and apps.
- Buy inexpensive cuts of meat and learn ways to cook them. Or eat less meat to save money.
- Avoid stores' spending traps. It's no coincidence that impulse items are located at the ends of the aisles and dairy items are often located in the rear of the store. Stores know the more items you pass en route to what you need, the more likely you are to pick up items you didn't intend to get.
- Eat what's in season. Savings change with growing seasons. Also compare the price of fresh produce to frozen or canned.
- Compare weights when selecting item-priced produce. One head of lettuce may be significantly larger than another yet cost the same.
- Don't pay for small conveniences. Slicing your own cheese and chopping vegetables saves money.

The media may draw freely on the information on supermarkets in the new issue of Twin Cities Consumers' CHECKBOOK magazine and at www.checkbook.org. CHECKBOOK's editors are available for interviews. Please contact Jamie Lettis at 202-454-3006 or jlettis@checkbook.org to schedule.

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