



City of Bowie

Memorandum

Thursday, July 13, 2023
Alfred D. Lott, ICMA-CM, CPM,
City Manager

STATUS REPORT

1. Midwood Lane Pond Landscaping Update

The first day of on-site work for the Midwood Lane stormwater pond landscaping project was a success. On Saturday, July 8, 18 residents joined members of the Environmental Advisory Committee to spread wood chips across the area that will be planted this fall. Thank you to each volunteer, including Councilmembers Esteve and Hawkins, for braving the hot and humid weather to grab a rake and get this project underway. Volunteers will be needed to install pollinator plants in this area on Saturday, September 30, from 9:00 a.m. to noon. Contact Tiffany Wright at 301-809-3043 for more information.

2. City Elections - November 7, 2023

This week we had one candidate file his paperwork to run for a Council seat for the City:

Jarryd Hawkins - At-Large

3. Economic Development Committee (EDC)

The Bowie EDC met Wednesday and continued their discussion about South Bowie. They will hold a Special Meeting August 30 2023 at 8:30 AM to discuss their draft report. The EDC expects to complete their study of South Bowie at their Septmebr meeting and will subsequently have a report to the City Council.

4. Sectional Map Amendment (SMA) – District Council Review

On Tuesday, the Prince George's County Council's Committee-of-the-Whole (COW) received a briefing on the County Planning Board's transmitted recommendations on the Bowie-Mitchellville and Vicinity SMA. Attached is a copy of the July 11th presentation and a summary of the items in conflict with City policy compiled by City staff (titled as "Summary Zoning Scorecard"). There are a total of 150 zoning change proposals and 21 individual requests (some of them duplicates) in the current SMA. The Planning Board accepted the City Council's recommendations for 149 of the 171 items (87%). The contrary recommendations now pending before the District Council include the following items of interest to the City: Preserving development pattern within existing subdivisions of Forest Drive, Sherwood Manor and Longleaf (5); downzoning for lower density, including the Zizos Property on MD 3 and one lot in the Rip's subdivision (2); City and M-NCPPC parkland at Saddlebrook, Old Stage and South Lake (3); Ken Michael property in MD 3 median (2); Frank's Nursery (2); Freeway Airport (2); Freestate R-R land; Hall/Keller Property@Mitchellville Rd/US 301; Wellons Property@MD 214/US 301; PG Boys and Girls Club land on Woodmore Road; Jesuit Property on north side of MD 450; and, 3610 Elder

Oaks Boulevard. At the conclusion of the staff briefing, Council Chair Tom Dernoga stated that the Council would take the Planning Board's recommendations under advisement over the August recess and bring the matter back for District Council action in September. The eight items highlighted in yellow in the summary document are in direct conflict with City policy, and the City should request amendments to conform to the City Council's recommendations.

5. 5 Major Grocery Trends Shaping the Industry in 2023

The grocery industry segment demonstrated remarkable strength over the pandemic – but now, inflation and consumer budgets seem to be limiting visit growth as traffic to the sector stalls. Yet even within this challenging retail climate, plenty of bright spots can be found, with grocers well-positioned to adapt to changing consumer behaviors.

The attached whitepaper from industry source Placer Ai dives into the latest location analytics to explore how the grocery segment is adapting to continued challenges and navigating a stormy economic climate.

DISTRICT
COUNCIL

WORK SESSION

Sectional Map Amendment

 THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Prince George's County Planning Department

JULY 11, 2023



THOMAS LESTER &
KIERRE MCCUNE

ENDORSED

BOWIE-
MITCHELLVILLE &
VICINITY SMA

THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Prince George's County Planning Department



PROPOSED

BOWIE-MITCHELLVILLE
AND VICINITY
SECTIONAL MAP AMENDMENT



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION
Prince George's County Planning Department

Testimony Overview

The Joint Public Hearing was held on May 9, 2023. The record closed on May 24, 2023.



26

Speakers

33 people signed up, with
26 speakers



48

Pages

There are 48 pages
transcribed and analyzed
from the hearing

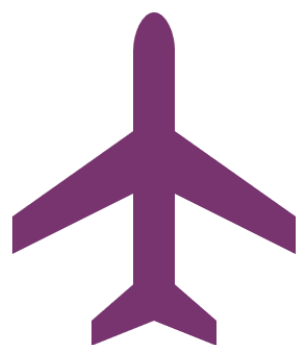


82

Written Testimony

Received 79 pieces of
testimony (Ecomment,
email, fax) before the COB
on May 24, with 3 pieces
recieved after Close of
Record

Major Themes



Freeway Airport

Approximately 20 residents and the City of Bowie provided testimony in opposition to the potential rezoning of Freeway Airport from AR to RSF-A.



Frank's Nursery

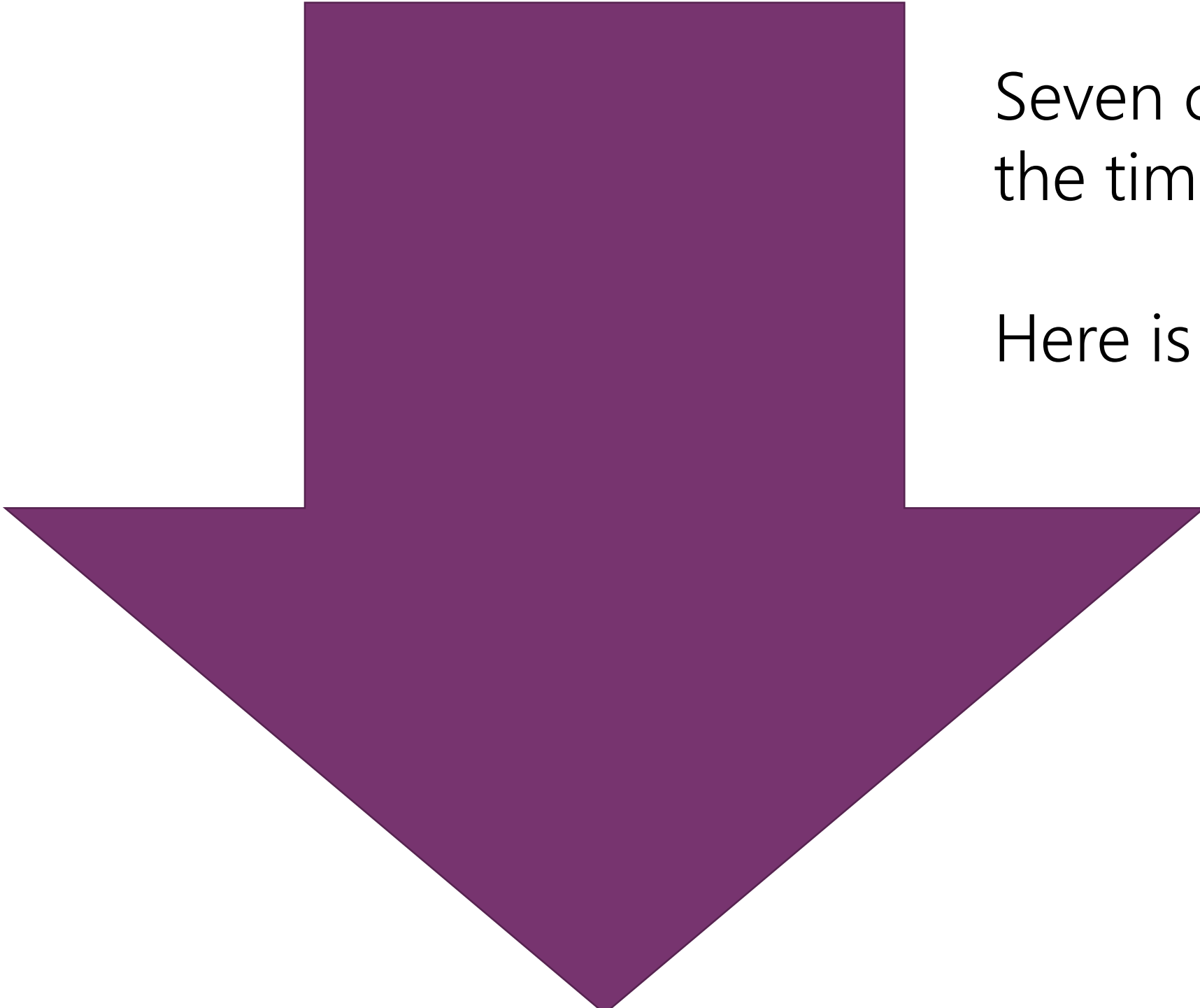
Approximately 64 residents, and the City of Bowie provided testimony in opposition to the potential rezoning of Frank's Nursery from RE to CGO.



Rezoning R&A Area

Approximately 25 objections were made to the rezoning of property to AG in the Rural and Agricultural (R&A) area that met the criteria outlined under LU 2.1 and CZ 2.1 of the master plan.

Planning Board Endorsed Changes



Seven changes have been incorporated at the time of endorsement of the SMA.

Here is the list of changes:

15500 ANNAPOLIS ROAD

Free State Shopping Center

Testimony

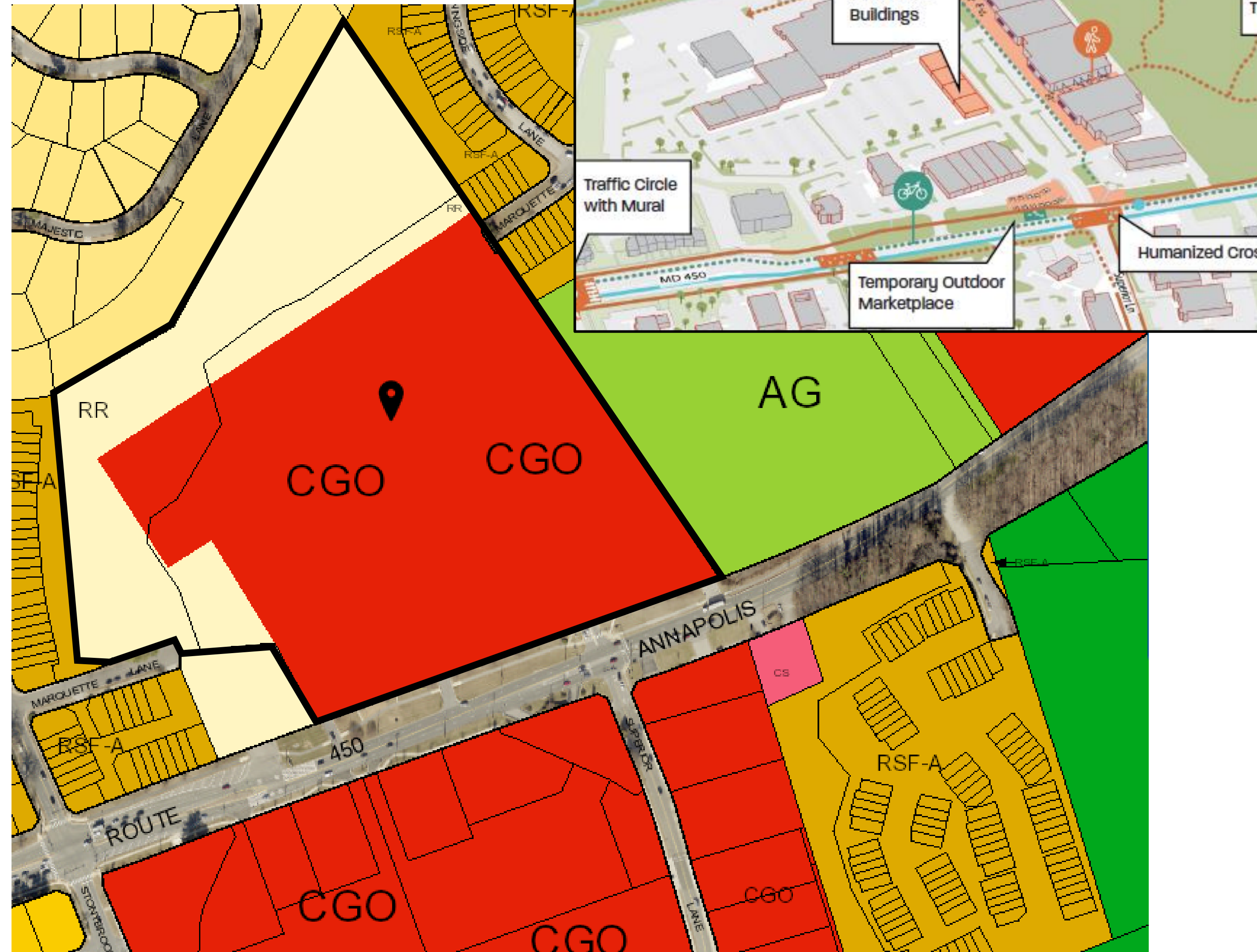
Property owner (Zone Request Form 7, Exhibit 7) requested the entire property be rezoned to CGO to correct the split zoning

Master Plan Support

The master plan supports the request under LU 16.2 and Figure 7 (p. 77) – integrated shopping center

Endorsed SMA

Revised the map to rezone entire property to CGO from RR/CGO.



16590 FIFE WAY &
1550, 1610, 1620 NW ROBERT CRAIN HIGHWAY, ETC.

Amber Ridge Dev.

Testimony

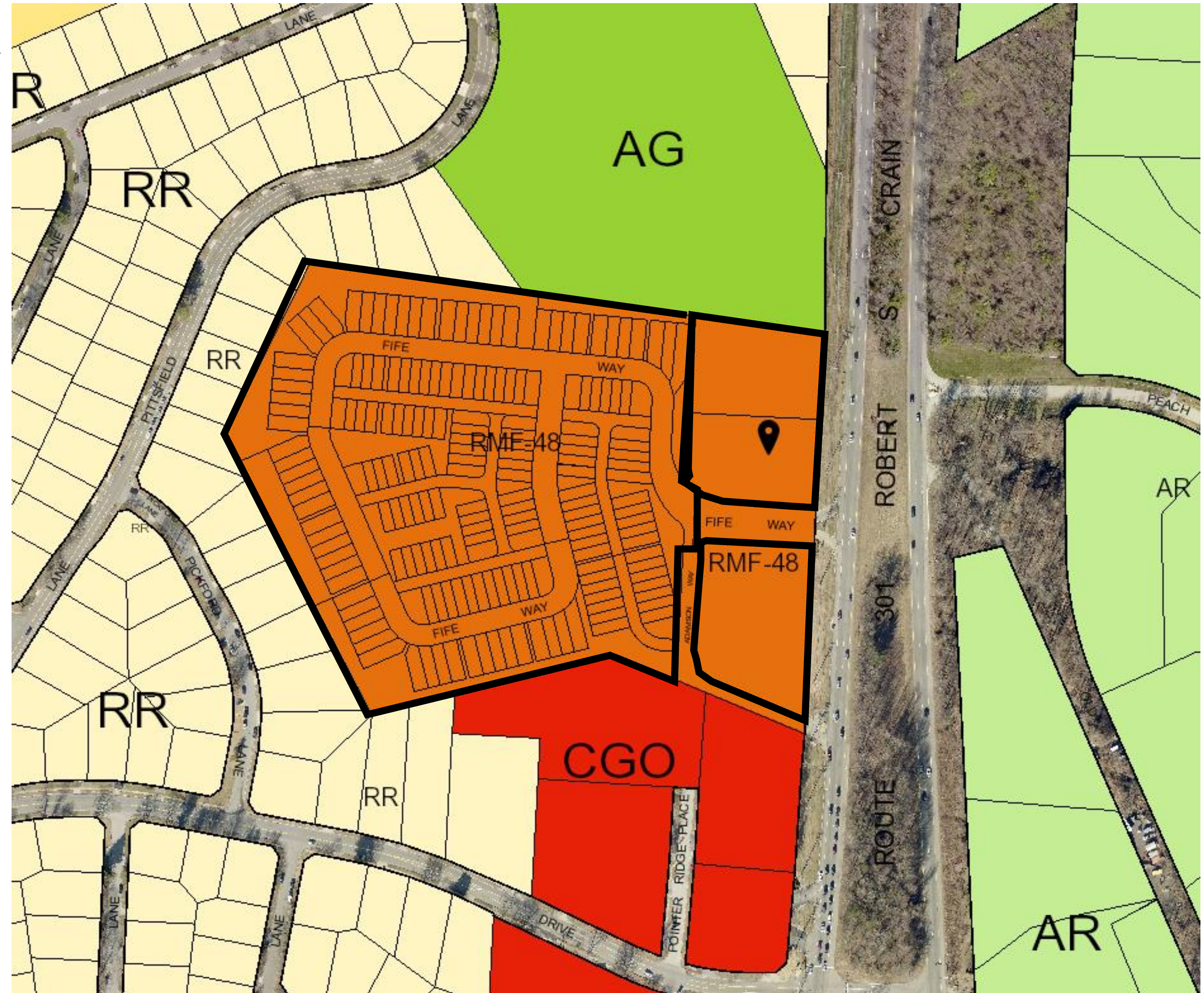
Property owner (Zone Request Form 8, Exhibit 8) requested CGO from RMF-48 to accommodate approved townhouse and commercial development in former M-X-T project.

Master Plan Support

The master plan supports the request under Map 16. Future land Use (p. 50) – which designates Neighborhood Mixed-Use.

Endorsed SMA

Revised the map to rezone subject properties to CGO.



1 SE ROBERT CRAIN HIGHWAY

Wellons Property

Testimony

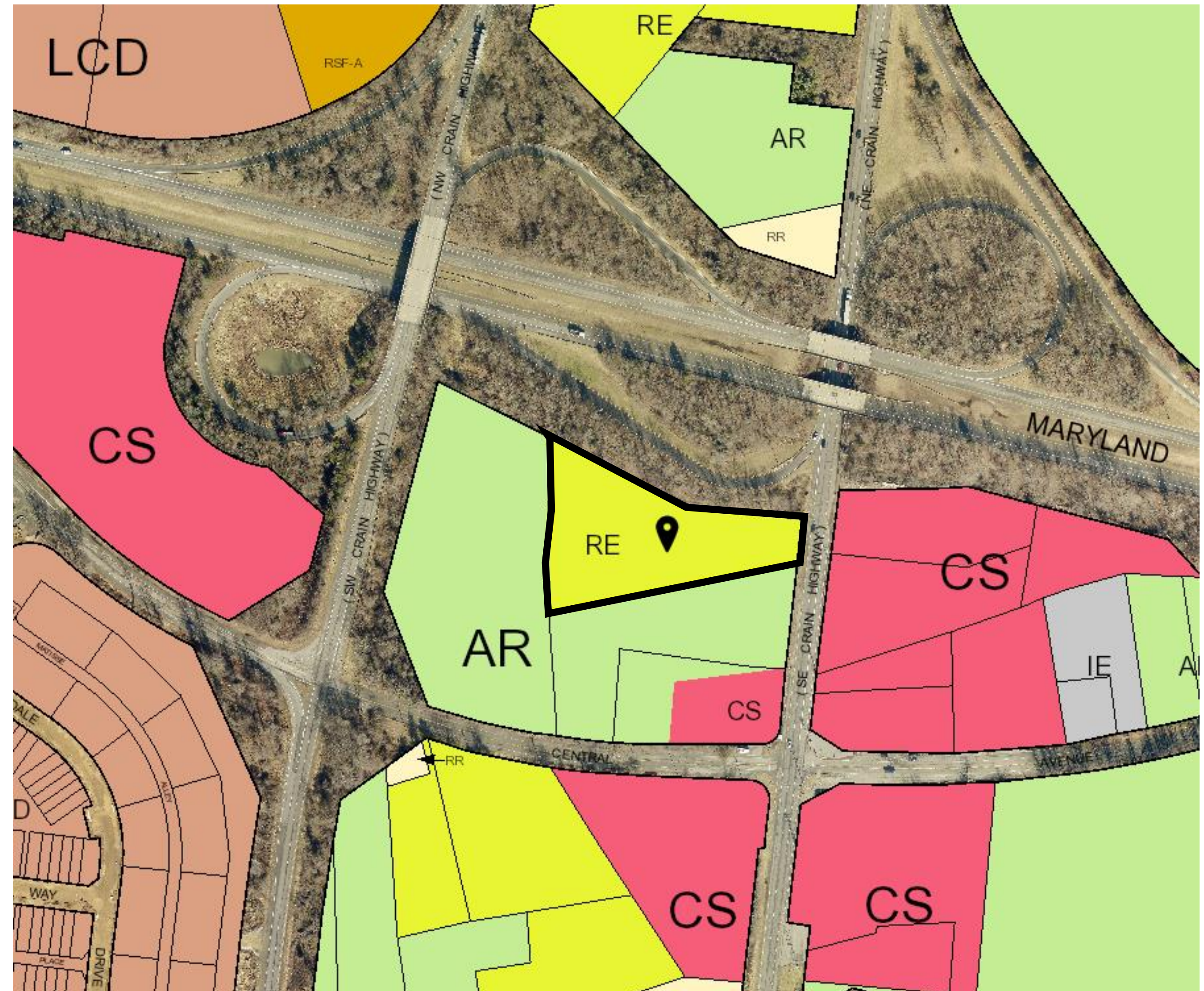
Property owner (Zone Request Form 15, Exhibit 15) requested CS from RE to prevent functional split zoning of properties under common ownership

Master Plan Support

The master plan supports the rezoning of the adjacent properties to support the commercial land use, staff were unaware that the properties function together

Endorsed SMA

Revised the map to rezone subject properties to CS.



Lemons Bridge Road

City of Bowie Property

Testimony

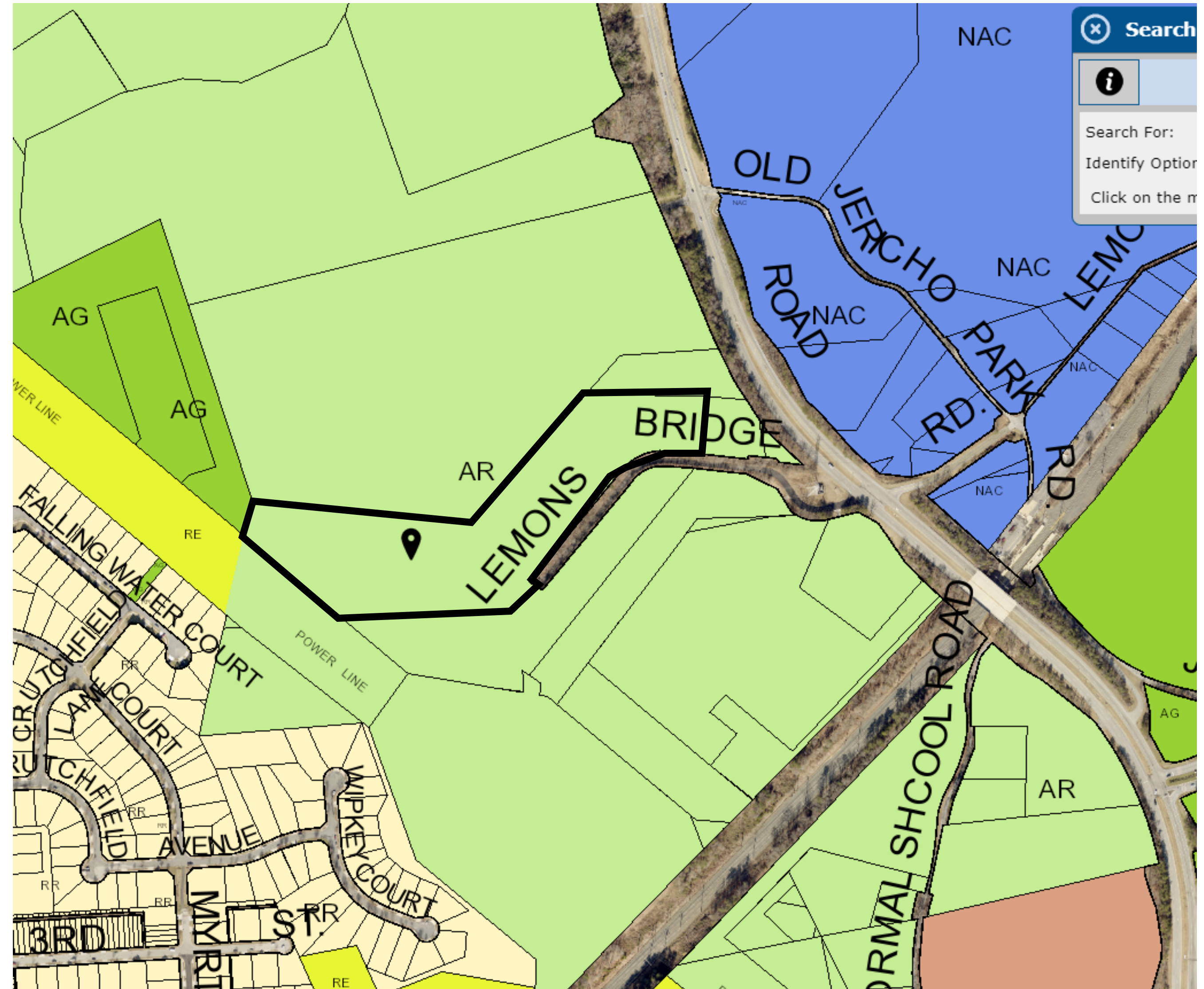
Property owner, City of Bowie, (Exhibit 26)
requested AG from AR.

Master Plan Support

The master plan supports the rezoning under LU
2.1 and CZ 2.1. but it was excluded from the
strategy because it is owned by the City of Bowie.

Endorsed SMA

Revised the map to rezone subject
properties to AG.



6610 Robert Crain Highway

Zizos Property

Testimony

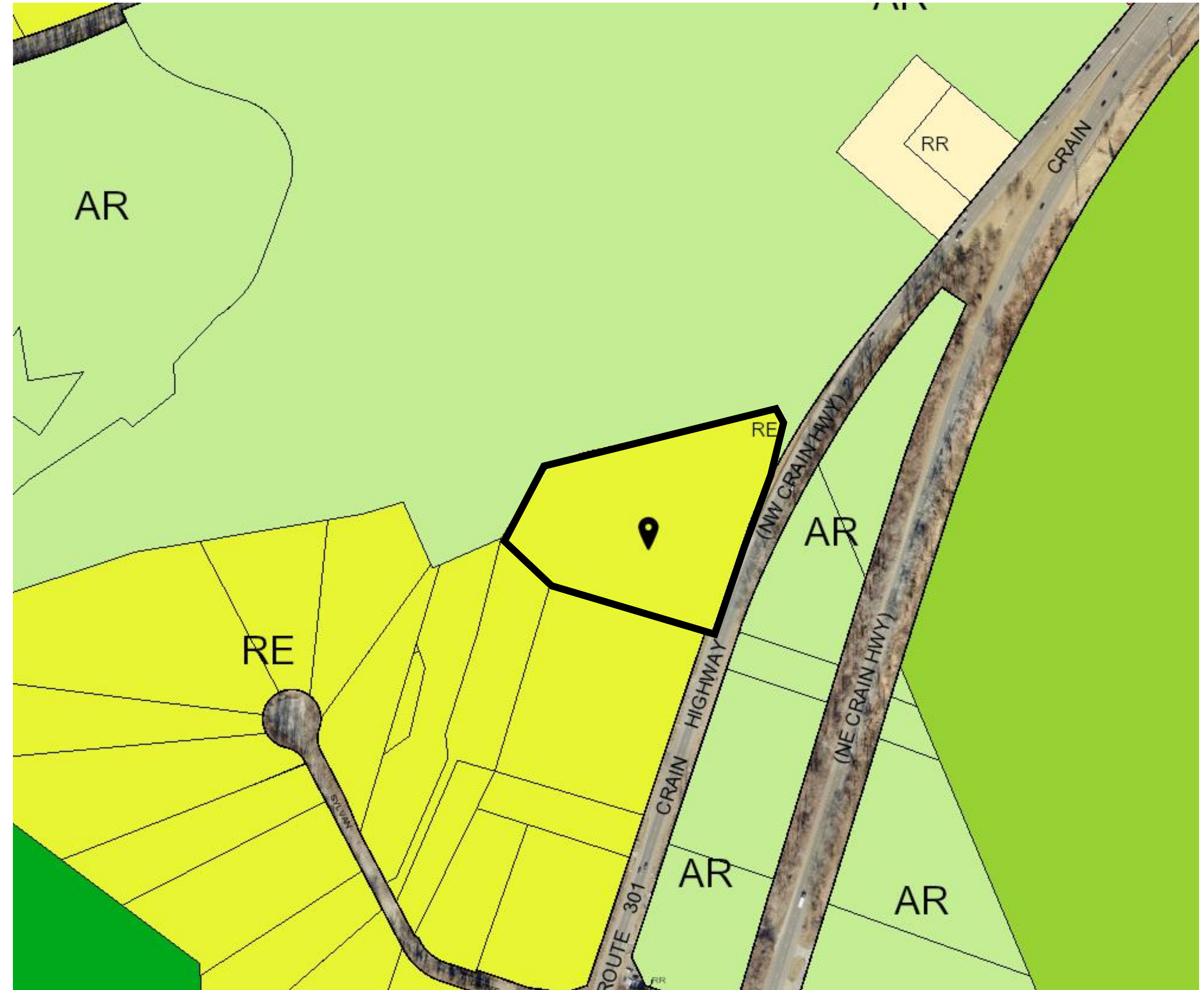
Property owner (Speaker 8) requested the RE zone is retained, and that the property is not rezoned to AG.

Master Plan Support

The property does not meet the size criteria stated in CZ 2.1. The property is less than 5 acres.

Endorsed SMA

The property is deeded to two separate owners and does not meet the criteria. Revised the map to retain the RE Zone.



3851 NE Robert Crain Highway

Rips Country Inn Property

Testimony

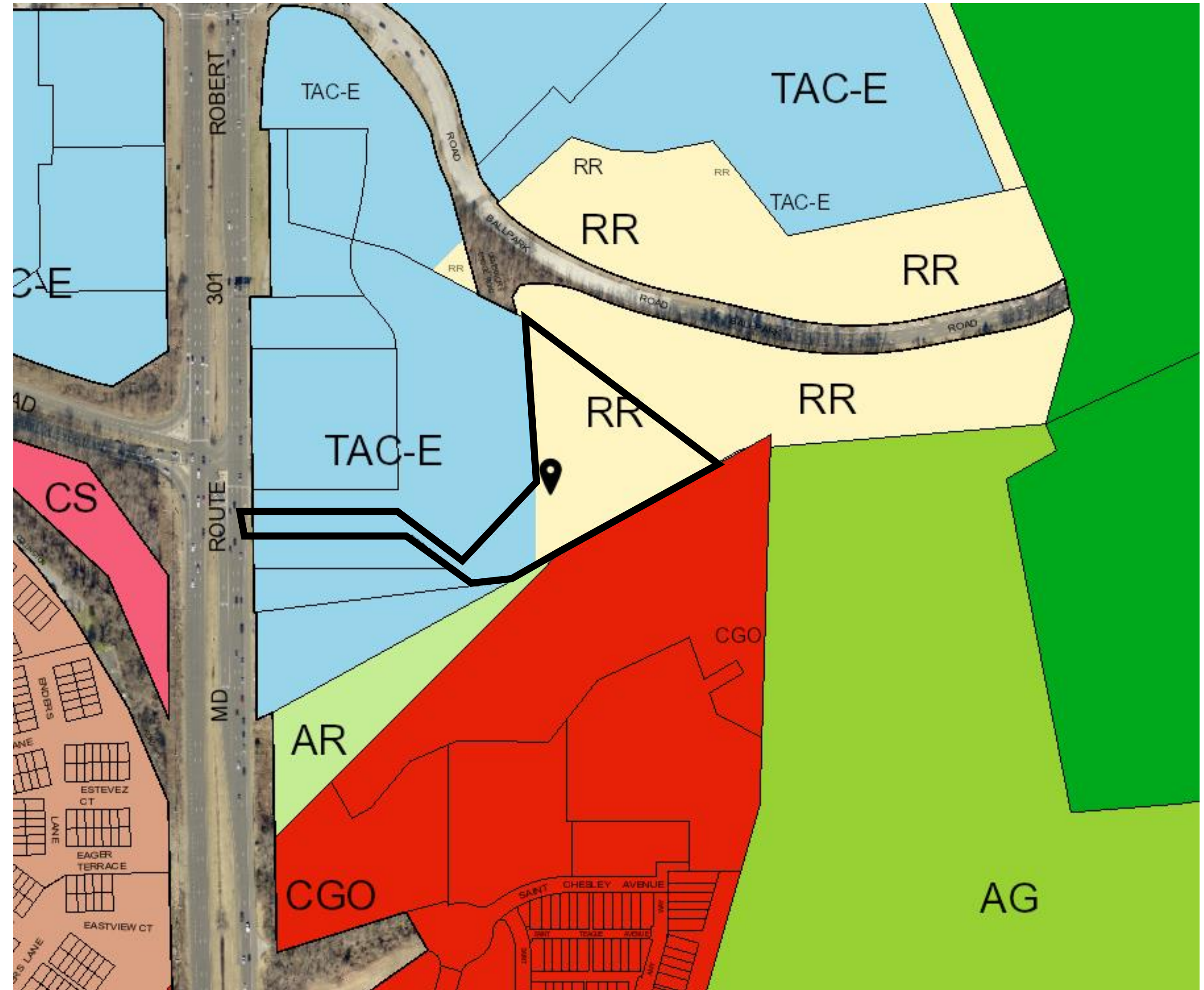
Property owner (Speaker 3) requested the entire property is zoned CS from TAC-E/RR

Master Plan Support

Recommends rezoning the property to AG because most of the property is undeveloped.

Endorsed SMA

Corrects the split zoning and maintains the commercial front along Robert Crain Highway. Revised map to rezone the entire property to CS.



3851 NE Robert Crain Highway

Reigle Property (B&B Autoparts)

Testimony

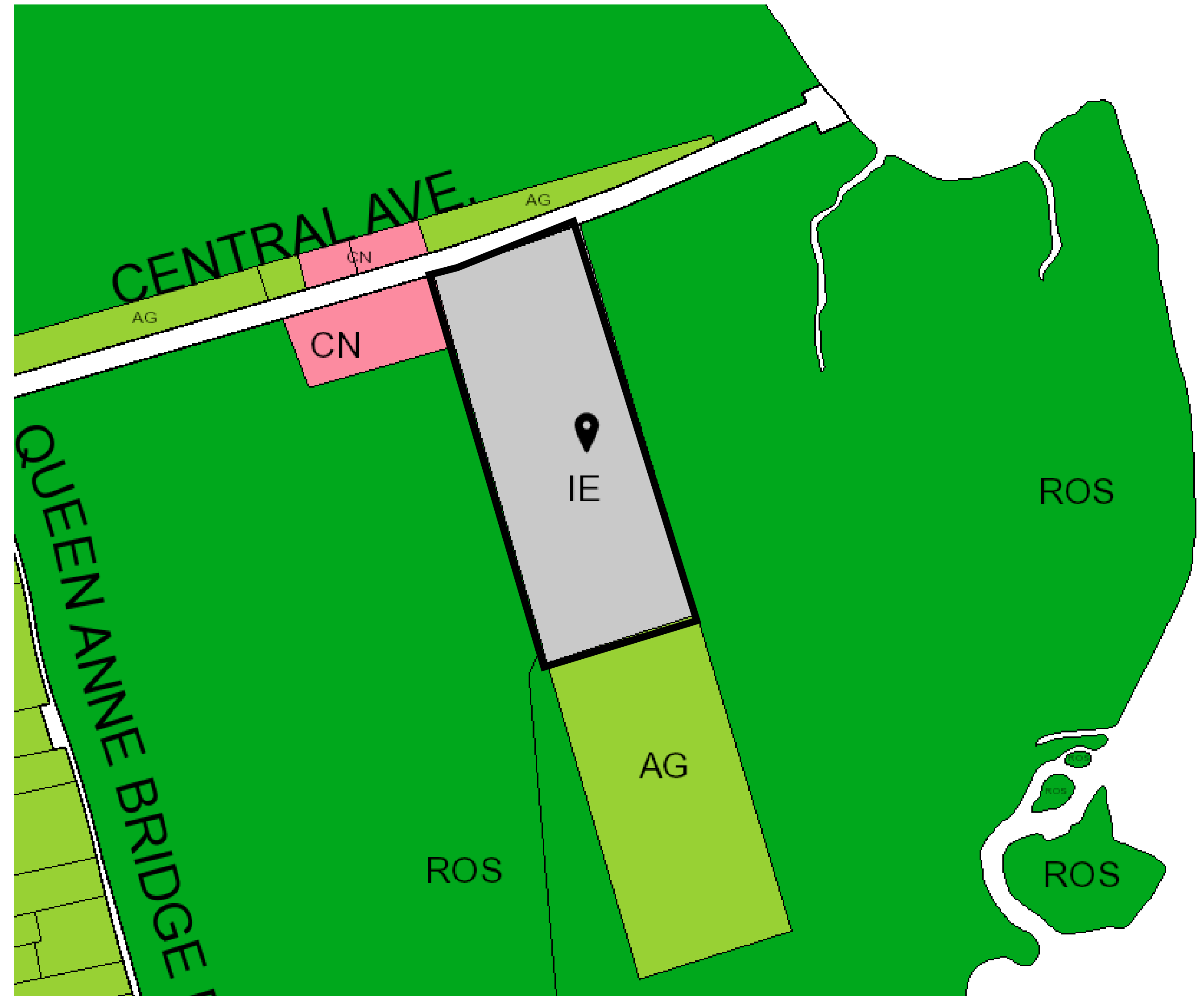
Property owner requested their property and existing small business retain the IE Zone

Master Plan Support

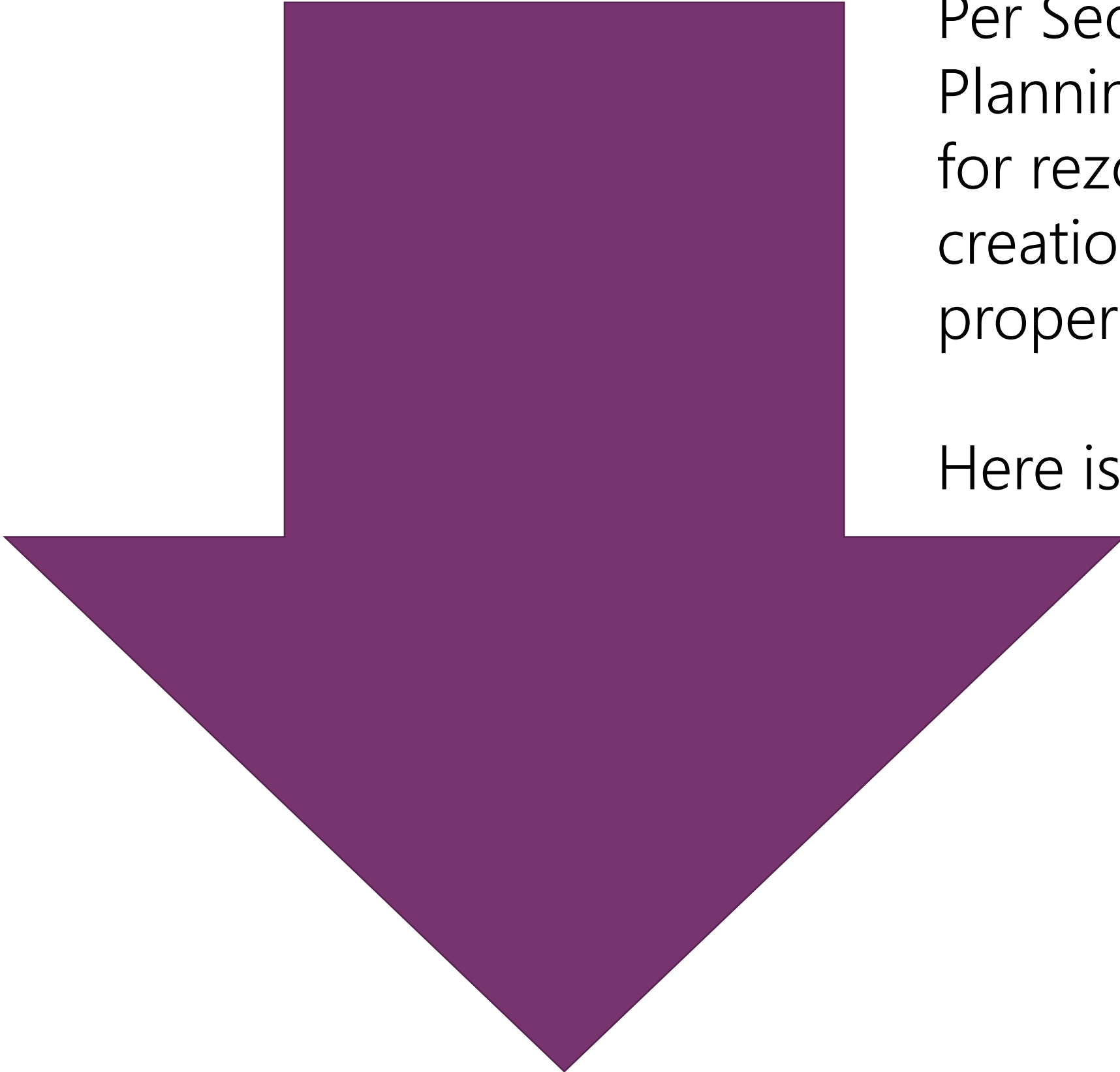
Recommends rezoning the property to AG because it is a larger property in the Rural and Agricultural Area.

Endorsed SMA

Property is unique compared to the other properties impacted by LU 2.1 and CZ 2.1 because it is non-residential and has an existing business. Revised map to retain the IE zone.



Non-conforming Use Analysis



Per Section 27-3503(a)(5)(B) require the Planning Board submit written justification for rezoning property that results in the creation of a non-conforming use if a property is rezoned to a less intense zone.

Here is the list of properties:

Non-Conforming Use Properties

Properties recommended to be zoned to a less intense zone per Section 27-4201(b)(1)

Change #	Zoning		Property			Land Use	Discussion
	Current	Proposed	Address	Lot/Parcel	Tax Account	Existing	Justification
ZC 21	AG	ROS	7704 Laurel Bowie Rd	Parcel 36	1578863	Golf Course	City-owned, protect open space if is sold to private property owner
ZC 23	IE	CGO	Zug Rd	Parcel 218	1658145	Contractor's Yard	Ensure that arts-and-entertainment-related uses are permitted
ZC 23	IE	CGO	12950 Railroad Ave	Parcel 251	1652965	Contractor's Yard	
ZC 23	IE	CGO	8333 Zug Rd	Parcel 271	1667997	Contractor's Yard	
ZC 115	AG	ROS	18509 Central Ave	Parcel 20	0725820	Solar Energy Systems, Large-Scale	City-owned, protect open space if is sold to private property owner

Other Non-Conforming Use Properties

Other notable non-conforming use properties.

Change #	Zoning		Property			Land Use	Discussion
	Current	Proposed	Address	Lot/Parcel	Tax Account	Existing	Justification
ZC 146	RR	IE	15220 Leeland Rd	Lot 1	0818450	Single-Family Detached Dwelling	Industrial/employment uses are desired in this area that has evolved to primarily to industrial/employment uses.
ZC 146	RR	IE	15524 Leeland Rd	Parcel 17	0743542	Single-Family Detached Dwelling	
ZC 147	RR	IE	15620 Leeland Rd	Parcel 61	0824805	Single-Family Detached Dwelling	
ZC 148	RR	IE	15700 Leeland Rd	Parcel 251	0713966	Single-Family Detached Dwelling	
ZC 148	RR	IE	15720 Leeland Rd	Parcel 76	0739730	Single-Family Detached Dwelling	
ZC 148	RR	IE	15800 Leeland Rd	Parcel 19 (Portion)	3466240	Single-Family Detached Dwelling	

Project Timeline

July 2022 – July 2023



Contact Information



Thomas Lester

Planner IIII

Master Plans and Studies Section,
Community Planning Division

Thomas.Lester@ppd.mncppc.org

(301) 699-2474



Kierre McCune

Planning Supervisor

Master Plans and Studies Section,
Community Planning Division

kierre.mccune@ppd.mncppc.org

(301) 952-3211



Visit our website

<https://www.mncppc.org/3390/Bowie-Mitchellville-Master-Plan>

Follow us @PGPlanningMD



pgplanning.org planpgc2035.org

SUMMARY ZONING SCORECARD – PROPOSED BOWIE-MITCHELLVILLE SMA

	Location	Current	Proposed	City Recommendation	Planning Board
Preserving Development Pattern					
35	MD 3 south lot	RE	AG	RE	AG
36	MD 3 south lot	RE	AG	RE	AG
50	Park Drive Lots 4-5	AR	AG	AR	AG
73	SFD Longleaf, Plat 14	AR	AG	AR	AG
74	Two SFD Longleaf, Plat 14	AR/AG	AG	AR/AG	AG
Downzoning for lower density					
37	Zizos Property	RE	AG	AG	RE
72	Woodland, green space behind Rips	TAC-E/RR	AG	AG	CS
City and M-NCPPC Parkland					
25	Saddlebrook Parcel N – COB	RR	AG	RR	AG
45	Old Stage MNCPPC Parcel and HOA prop	RR	AG	ROS	AG
104	N end of South Lake along MD 214, open space	LCD	AG	ROS	AG
41	MD 3 Michael Property	AR	CS	AR	CS
42	Frank's Nursery MD 450/193	RE	CGO	RE	CGO
56	Freeway Airport redevelopment	AR	RSF-A	AR	RSF-A
O-7	15550 Annapolis Rd--Freestate Shopping Center	RR, CGO	CGO	RR, CGO	CGO
O-12	1810 and 1814 Mitchellville Rd	RR	CGO	CGO	RR
O-15	1 SE Crain Hwy	RE	CS	RE	CS
O-16	13308 Woodmore Rd PGC Boys and Girls Club	ROS	AG	AG	ROS
30	Jesuit Prop. N. side of MD 450	RE	AR	AG	AR
new	3610 Elder Oaks	CGO	CGO	RMF-20	CGO

May 2023

5 Major Grocery Trends Shaping the Industry in 2023

Read the report to find out how the grocery space is adapting to changing times, with immersive experiences, small-format stores, affordable alternatives and advertising innovations.



Table of Contents

The Wider Context	2
Affordable Grocery Thrives in the Face of High Food Inflation	3
Back to Mission-Driven Grocery Shopping	5
Embracing Immersive Grocery Experiences	7
H-E-B: Huge Emporium of Bounty	7
Hy-Vee: More at the Store	9
Smaller-Format Grocery Stores: Resilient in the Face of Challenges	11
Grocery Retail Media Networks: Growing and Evolving	17
Key Takeaways	19

The Wider Context

The grocery segment demonstrated remarkable strength over the pandemic, with year-over-year (YoY) visits to the category increasing for much of [2020](#) and [2021](#). But [inflation](#) hit the category in [mid 2022](#), and grocery visit growth began to slow down – even though traffic remained [ahead](#) of pre-pandemic levels. But YoY growth stalled, and by Q1 2023, YoY grocery visits were down almost every week.

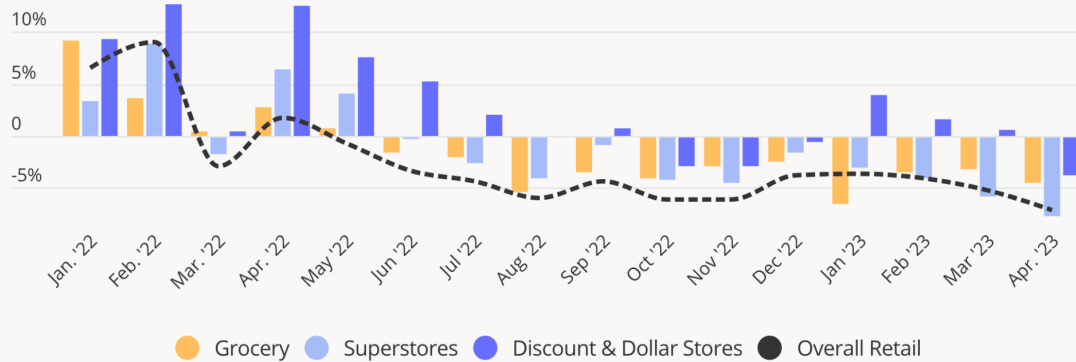
Now, nearly halfway through 2023, location intelligence shows that grocery traffic is still lower than last year. And this contraction in grocery visits is not happening in a vacuum – retail visits in general have been on a downward trend over the past several months, with few sectors remaining unaffected by current economic headwinds.

Yet even within this challenging retail climate, plenty of bright spots can be found, with grocers well positioned to adapt to changing consumer behaviors. Some brands are relying on their attractively priced product mix to find success in spite of – or perhaps because of – rising prices. Other chains are doubling down on convenience by experimenting with smaller formats, while others are finding success by creating immersive shopping experiences. And some are leveraging their physical platforms for additional revenue streams by entering the advertising space.

This white paper dives into the latest [location analytics](#) to explore how the grocery segment is adapting to continued challenges and navigating a stormy economic climate.

Change in Monthly Visits to Grocery, Superstores, Dollar Stores and Overall Retail

Year-Over-Year Comparison



Affordable Grocery Thrives in the Face of High Food Inflation

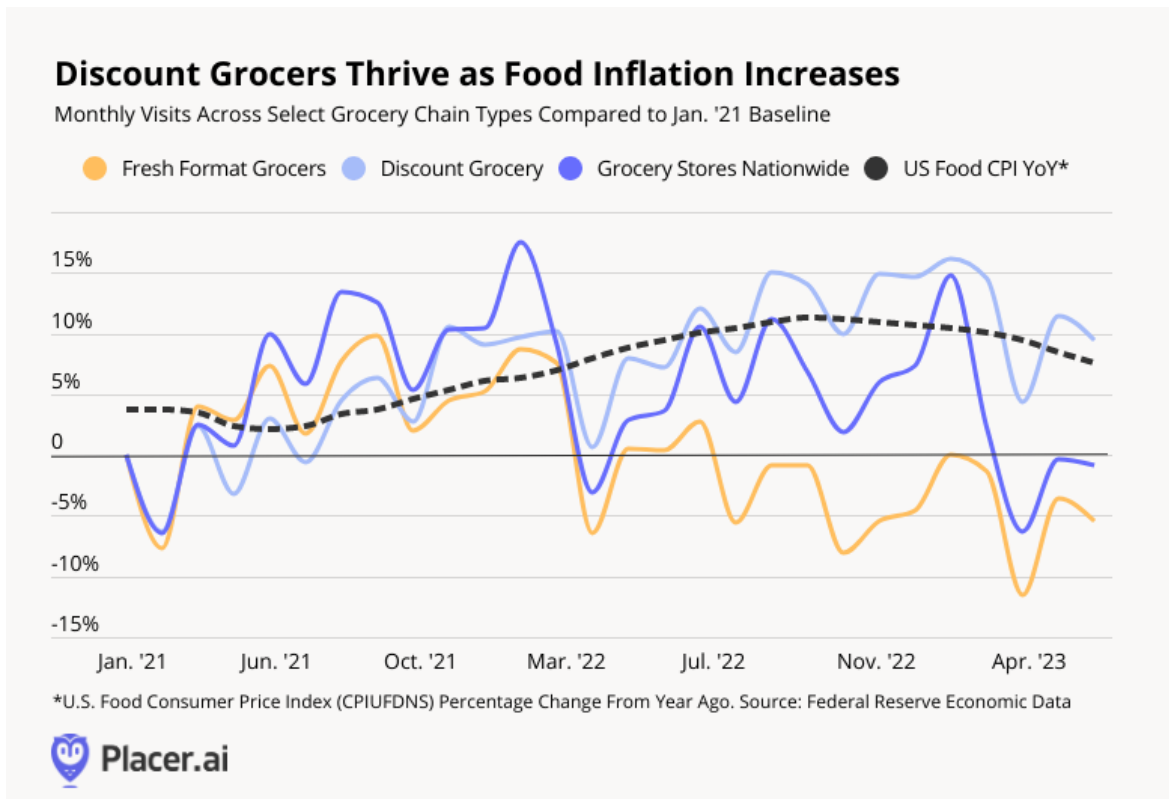
Discount Grocers: Benefiting from Rising Food Prices

As inflation drives out-of-home food prices up, [value grocery formats](#) are benefitting, with visits to discount grocers [rising](#) in the face of increases in food prices. In particular, discount grocery chains like [Aldi and Lidl](#) have been outperforming the overall grocery industry. These establishments tend to favor their private-label brands and carry a relatively restrained product selection, which allows them to reduce [overhead costs](#) and transfer these savings directly to shoppers through lower prices.

The traffic growth to discount grocery chains seems to correlate with the increase in food inflation. On the other hand, the higher-priced fresh format grocers, which carry a wider selection of products and offer a more upscale shopping experience, have been underperforming the wider grocery industry. And visits to these chains, which include Fresh Market and Natural Grocers, dipped significantly as U.S. food inflation



rose. It seems, then, that during periods of high food inflation, consumers are likely to favor value-priced supermarkets to the detriment of more quality-focused grocery retailers.

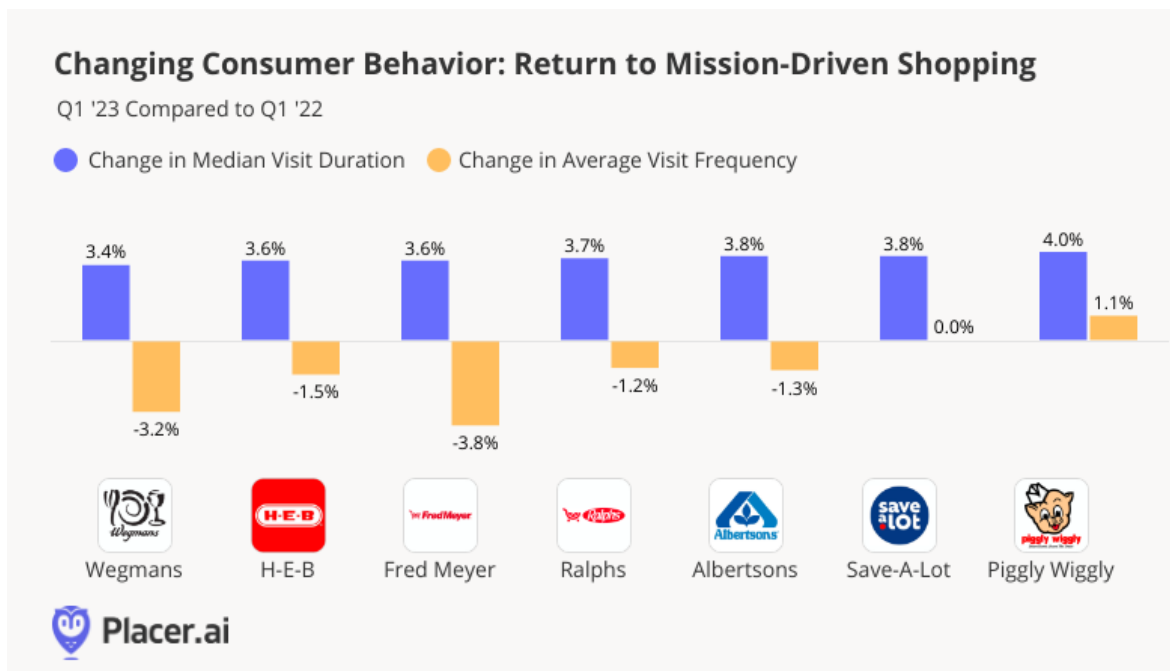


Back to Mission-Driven Grocery Shopping

Diving deeper into the visitation data indicates that the impact of rising prices extends beyond store choice – consumer behavior in the store itself also seems to be shifting. The COVID-19 pandemic saw the emergence of [mission-driven shopping](#) as consumers, mindful of potential health risks, adopted a more strategic approach to their grocery outings, leading to fewer, but more carefully planned excursions.

And while the pandemic may have officially ended, mission-driven shopping seems to be making a comeback – traffic data reveals an increase in median visit duration across several grocery chains. Simultaneously, the average visit frequency has

dropped, with only one analyzed chain, Piggly Wiggly, seeing any year-over-year (YoY) increase in average visit frequency. This suggests that shoppers are approaching their grocery runs more carefully – perhaps planning them to coincide with [sales and specials](#) – while [minimizing extra trips](#) to help save on gas costs and stick to a newly-tightened budget.



Embracing Immersive Grocery Experiences

With mission-driven shopping on the rise, the potential value of each shopping trip also increases. And to make sure consumers choose their chain for their longer, less frequent grocery runs, grocery chains may be looking to enhance the overall shopping experience

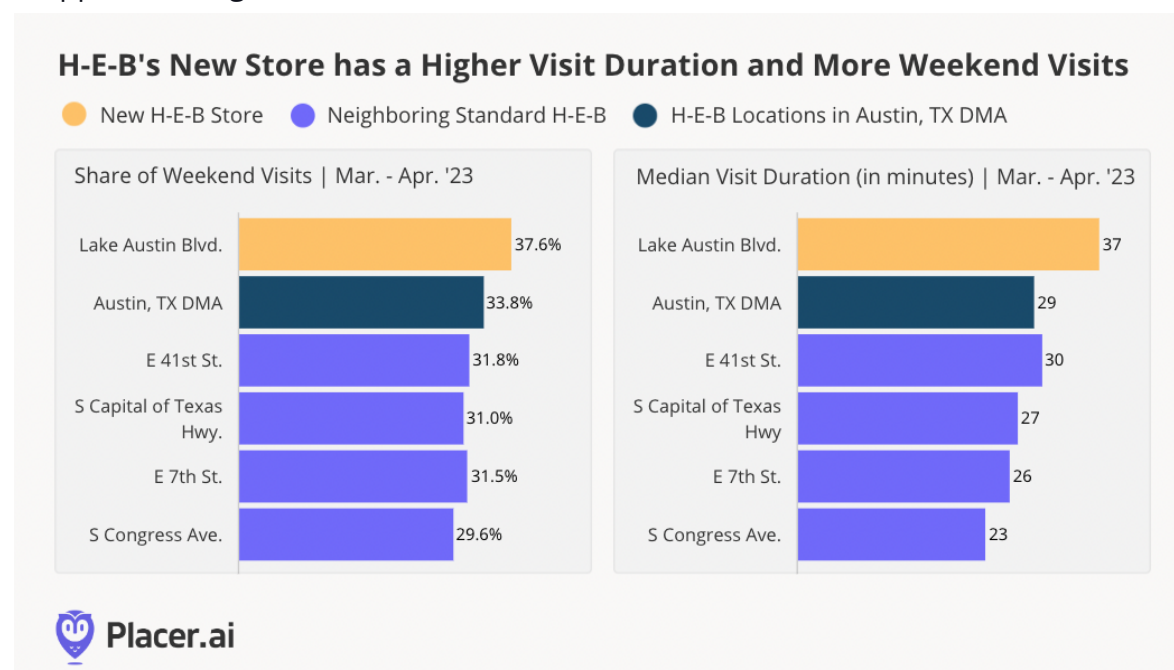
H-E-B: Huge Emporium of Bounty

[H-E-B](#), the grocery darling of Texas, recently unveiled a new store format on Lake Austin Blvd. in Austin, TX. This two-story [grocery emporium](#) is nearly double the size of H-E-B's standard 50,000-square-foot store and includes a second-floor café and

bar, indoor and outdoor seating, and a full-service pharmacy. Also on-site are several restaurants and an outdoor department for sprucing up a home garden. In deciding to invest in an immersive shopping experience, H-E-B is following in the footsteps of other [grocers](#) who have begun incorporating experiential offerings alongside more standard supermarket staples.

Recent foot traffic data indicates that consumers are responding positively and dedicating some of their leisure time to visit the new store. The new H-E-B saw a much higher share of weekend visits than other Austin-area H-E-B venues. In March and April 2023, 37.6% of visits to the Lake Austin H-E-B location took place over the weekend, compared to an average 33.8% share of weekend visits for other Austin DMA locations. Similarly, the median visit duration at the immersive H-E-B was 27.6% longer than that at its local counterparts in the wider Austin DMA.

H-E-B already attracts [enthusiastic shoppers](#) who come in to browse and enjoy the [product selection](#) – and now, it looks like the new store format is amplifying those trends. This strategic addition is providing customers with an enhanced shopping experience that extends beyond the bounds of traditional grocery and keeps shoppers coming back.



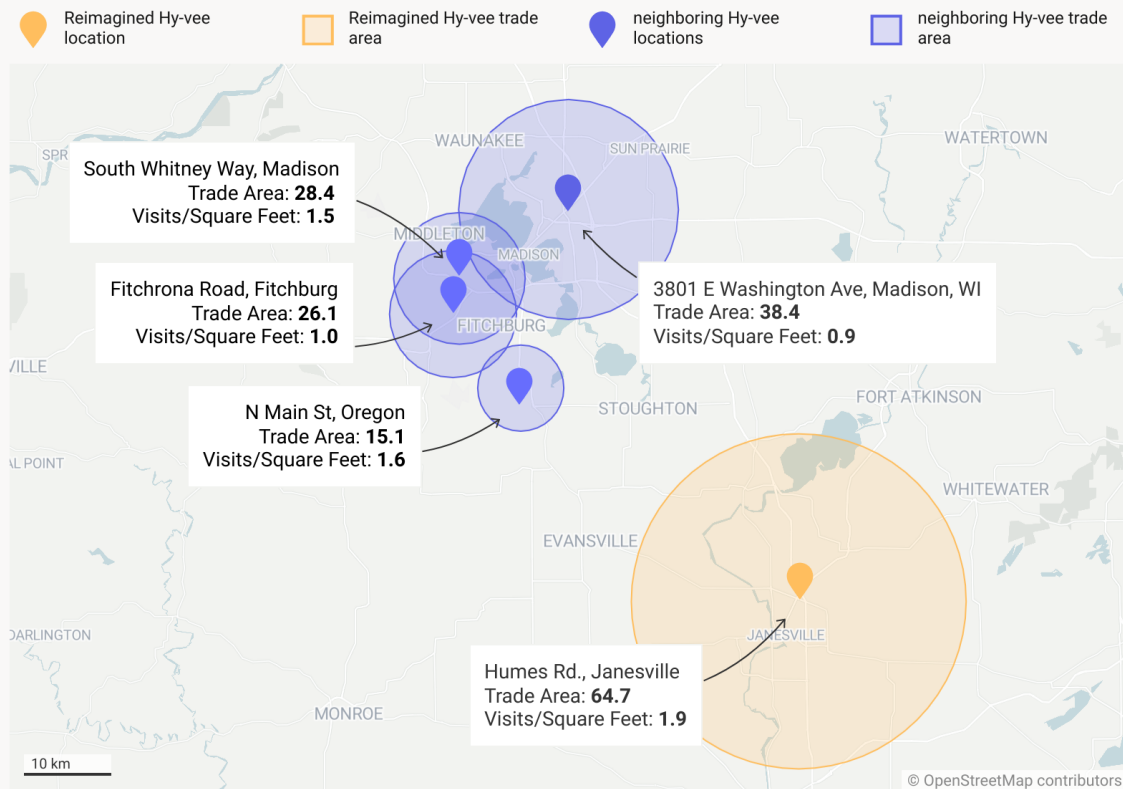
Hy-Vee: More At The Store

[Beloved Midwestern grocery chain](#) Hy-Vee is another brand that has recognized the power of offering more at the store. The company [recently opened](#) an extra large store in Janesville, WI. The new location, which spans nearly 97,000 square feet, boasts a floral department, a pharmacy, a gift shop, clothing options, eyewear, a shoe department, and an in-store Starbucks. The store is the sixth of its kind nationwide, and its broad range of products is positioning it to become a local hotspot.

Location intelligence reveals how customers are reacting to this new shopping mecca. The store sees a higher number of visits per square foot on average than neighboring Wisconsin Hy-Vee locations – 1.9 visits per square foot compared to a Wisconsin average of 1.5 visits per square foot. The new store also pulls visits from a larger trade area than comparable stores, with a [True Trade Area](#) size of 64.7 square miles compared to the Wisconsin Hy-Vee average of 47.3 square miles. These findings underscore the draw of the reimagined Hy-Vee location, providing an exceptional shopping experience that attracts more customers from farther away.

Hy-vee's Reimagined Grocery Store Maximizes Space and Trade Area Size

March-April '23



Smaller-Format Grocery Stores: Resilient in the Face of Challenges

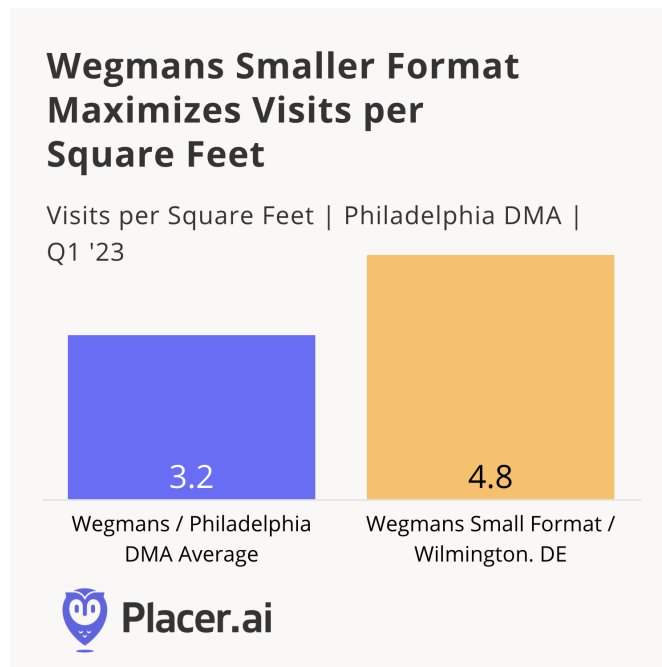
Going big is certainly one way to bring in customers, but good things also come in small packages. As real estate, construction, and labor costs [continue to skyrocket](#), [more and more](#) grocery chains are [pivoting](#) to [smaller-format](#) locations that cost less to operate and make for a more efficient shopping experience.

Wegmans: Local Favorite Debuts Small Locations

Rochester, NY-based Wegmans [introduced](#) three smaller-format grocery stores – one each in [Philadelphia, PA](#), [Wilmington, DE](#), and [Washington, D.C.](#) – in 2022. While an average Wegmans can be as large as [140,000 square feet](#), the small-format locations cover about half of that, at approximately 80,000 square feet.

The Delaware small-format store – also the first Wegmans in the state – is located near the Pennsylvania border within the [Philadelphia DMA](#). The store, which serves as

the anchor of a mixed-use development, was met with [enthusiasm](#) upon its opening. And despite its size – the Wilmington, DE venue is around 40% smaller than the average Wegmans in the Philadelphia DMA – the store received more visits per square foot than other Wegmans in the Philadelphia DMA in Q1 2023.



Wegmans has long been a [popular](#) retailer with a [dedicated](#) customer base – and the grocer looks poised to continue its success with its small-format expansion.

Meijer: Supersized Smaller-Format Stores

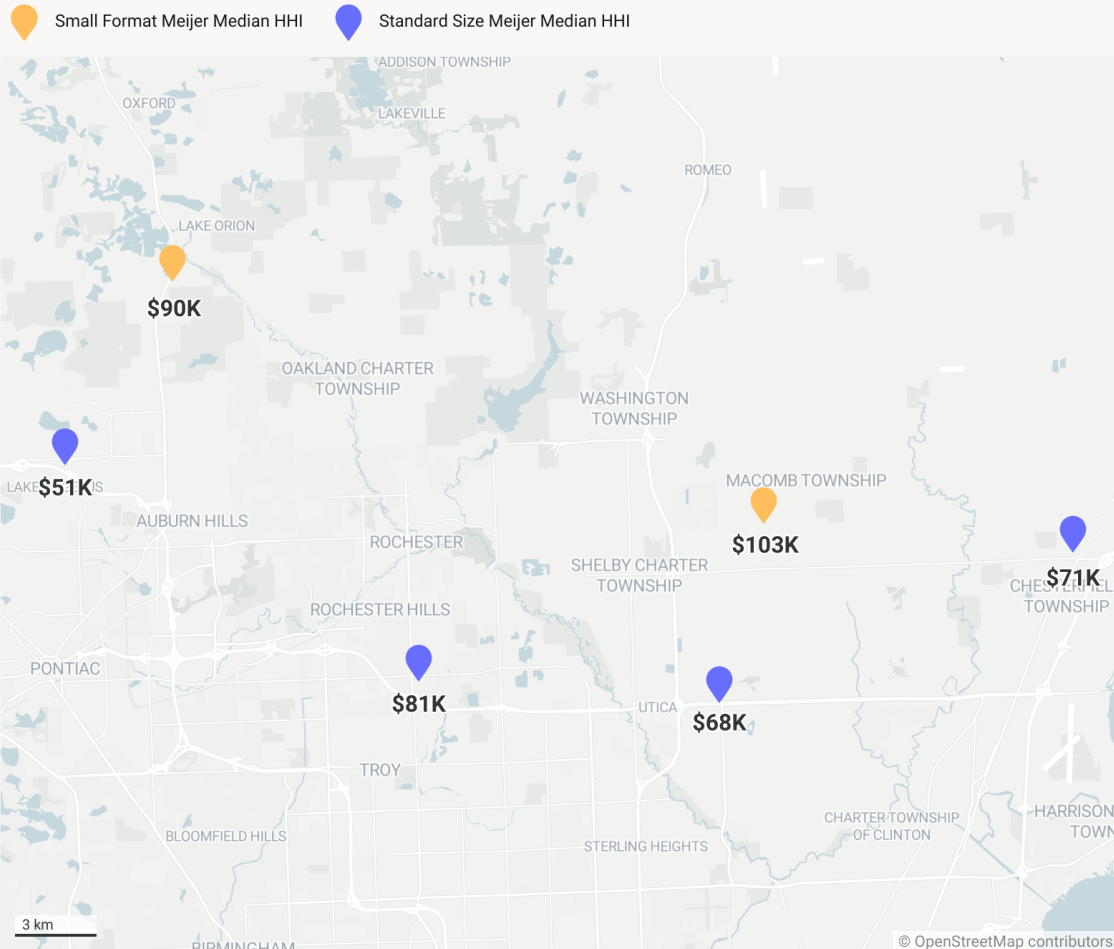
Small-format locations do more than just use store space efficiently to increase visits per square foot – in some cases, larger chains can also use small-format venues to attract a specific consumer segment. [Meijer](#), a family-owned, regional supercenter with nearly 240 stores across six states, also launched two grocery-centered smaller-format concepts called [Meijer Grocery](#) in early 2023. The two new stores, located in Michigan, are designed to offer a more convenient and personalized shopping experience, with a strong emphasis on fresh, locally sourced food and innovative technology.

The Meijer Grocery locations span around [75,000 to 90,000](#) square feet – hardly small by most standards – but significantly smaller than the [average Meijer](#) supercenter.

Analyzing the foot traffic data from February to April of 2023 shows that the trade areas for the two Meijer Grocery locations attracted a customer base from a trade area with a higher-than-average median household income (HHI). While the median HHI for Michigan Meijer trade areas ranged from \$51K/year to \$81K/year, the Meijer Grocery attracted visitors from trade areas with median HHIs of \$90K/year and \$103K/year.

Meijer's New Small Format in Michigan Attracts Wealthier Customers

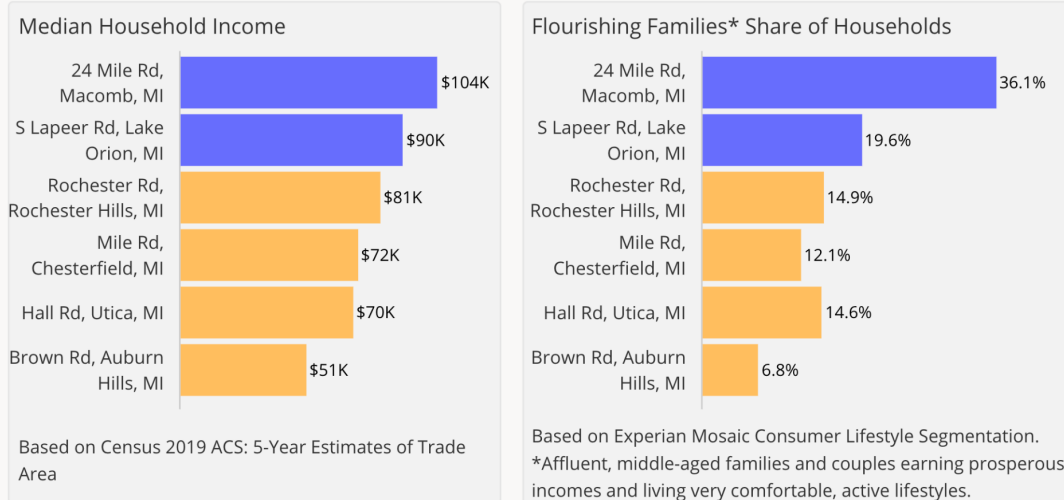
Based on April '23 Trade Areas & Census 2019 ACS: 5-Year Estimates of Trade Area



The share of “Flourishing Families” – based on the [Experian: Mosaic Consumer Lifestyle Segmentation](#) – was also higher for both Meijer Grocery stores than neighboring Meijer supercenters. Meijer’s decision to locate these new grocery-focused stores in more affluent areas seems to be driving visits from local residents who may prioritize a more personalized and convenient shopping experience.

Meijer's New Small Format Attracts Wealthier Customers and Families

Based on February - April '23 True Trade Area Captured Market ● Small Format ● Standard Meijer



Grocery Retail Media Networks: Growing and Evolving

[Retail media networks](#) are poised to transform the advertising space, with the industry seeing around [\\$40 billion](#) invested in it in 2022. And, this number is only expected to grow – analysts predict that by 2024, the retail media industry will be worth [\\$60 billion](#).

Grocery Chains Tapping into Retail Media

Over the past couple of years, more and more grocery chains have been tapping into the potential of retail media networks to increase and diversify revenue streams. As of Q1 2023, 22% of all grocery visits in the United States went to grocery chains that operate retail media networks – a share that is expected to grow as the format continues to evolve.

The Offline Potential: Sprouts Farmers Market Retail Media Possibilities



Sprouts Farmers Market [recently announced](#) its online [retail media platform](#) in partnership with popular online grocery delivery service Instacart, which launched a retail advertising product called [Carrot Ads](#) on its new [Instacart Platform](#). Grocers can [use](#) Carrot Ads to monetize their owned e-commerce properties and build retail media networks without investing heavily in the technical infrastructure.

The strategic partnership between Sprouts and Instacart should benefit both companies by combining Instacart's well-established advertising platforms with Sprout's customer base. It also presents an [opportunity](#) for consumer packaged goods (CPG) companies to target specific segments within Sprouts' online customer base by leveraging Sprouts' first-party data.

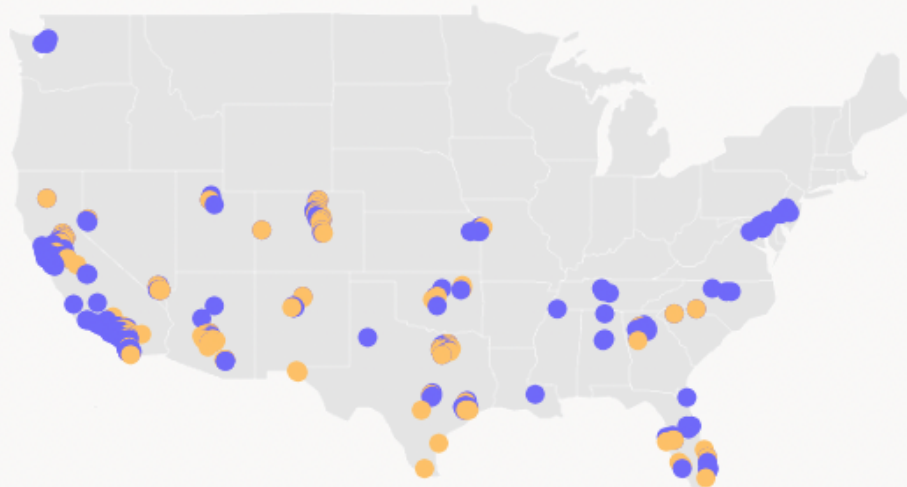
Still, most grocery shopping continues to take place in person, so chains that leverage the massive advertising platforms created by a physical store fleet and build omnichannel retail media networks will get the most out of this emerging format. And [location intelligence](#), which provides visibility into the shopping habits and preferences of brick-and-mortar consumers, makes offline retail media networks just as data-driven and effective as their online counterparts.

Were Sprouts to incorporate its brick-and-mortar fleet into its retail media network offline, location intelligence could provide granular data on the demographic and psychographic segments that visit each store. For example, the [AGS: Behavior and Attitudes](#) dataset could be combined with [True Trade Area](#) analysis to reveal which locations attract visitors with a higher-than-average interest in dogs or organic food. This information could help retailers and marketers better tailor their in-store advertising and reach the right consumer segments with the right ads directly at the point of purchase.

Sprouts Farmers Market Over-Indexed* Locations

Based on Trade Areas and AGS: Behavior & Attitudes Data | Q1 2023

● Over-Indexed for "Organic Foodies" ● Over-Indexed for "Dog Lovers"



*In Comparison to a Nationwide Benchmark



Grocery Segment Adapting To A Changing Landscape

For now, it looks like the grocery sector's growth streak is on hold as inflation continues squeezing budgets – although food inflation does appear to be [easing](#), which may bring visitors back to the space. In the meantime, grocery chains that understand what their customers are looking for in 2023 can adapt their offerings and adjust their stores to cater to shifting consumer habits. By analyzing purchasing preferences, shifts in consumer behavior, and demographic attributes of shoppers, grocery chains can continue giving their patrons what they want. And by expanding beyond their core business to provide more experiences alongside grocery products and to create new revenue opportunities through retail media networks, grocers can continue seeing strength even during grocery downtimes.

Key Takeaways

1. **Affordable Chains are Thriving.** Perhaps unsurprisingly, the rise in food prices and rate of inflation appear to drive increased foot traffic to lower-cost stores like Aldi and Lidl.
2. **Immersive Grocery Experiences are Winning.** H-E-B and Hy-Vee, two already popular chains, recently debuted extra-large grocery supercenters. Their new format turns grocery shopping into an occasion, offering clothing, food courts, pubs, and more alongside groceries. These supersized locations see longer visits and an increase in the share of weekend visits relative to other H-E-B and Hy-Vee locations, suggesting that customers come not just to shop, but to enjoy themselves.
3. **Mission-Driven Shopping is Back.** Mission-driven shopping, which became popular during the COVID-19 pandemic, is making a comeback. With many feeling the strain of inflation on their wallets, shoppers are choosing to visit stores less frequently, but are spending longer at the store, suggesting that trips are more planned out to help curb overspending.
4. **Small-Format Grocery Stores are on the Rise.** Many retailers have recently embraced the small-format store, and grocers are also getting on board. Wegmans' smaller-format store receives more visits per square foot than nearby locations, while Meijer's small-format store is seeing a higher-income clientele.
5. **Retail Media Networks can Help Grocers Leverage Their Store Fleet Beyond Grocery Sales.** Grocery chains can use location intelligence to build in-store retail media networks that identify where key demographics live, shop, and what their preferences are. Retailers and marketers can use this data to better target shoppers and tailor ads and product selections for their needs.