

# Tailored *for* Today

Dash's Market's product line is carefully curated to meet customer needs.

By Katie Martin

Opening up shop in western New York, right in the home court of Wegmans Food Markets — a chain many consider to be the industry's standard bearer — is no easy task, but Joe Dash and his team are up to the challenge. Dash's Market, with four locations in the Buffalo area, goes directly after the Wegmans-type shopper while touting the differences: smaller stores, a carefully curated product line, fresh prepared foods and top-notch service.

With stores that are about 30,000 square feet, Dash's Market isn't looking to compete with large-format chains and superstores. "We're a lot of things to a lot of people, but we're not everything to everybody," says Joe Dash, owner and CEO. "Trying to do everything is too much. We do a great job with what we do."

The stores carry limited selections of housewares and health and beauty products — just enough to have them available to meet customers'

needs and be a one-stop shop, but not enough to take up large amounts of space. Instead, most of the stores' footprints are dedicated to food.

"We don't have space to have all that stuff," Dash explains. "You have to pick your poison, and our poison is, we want to sell food. I'm a foodie."

The Dash family has been in the food business since 1923, when Dash's grandparents opened a small store in Buffalo, followed by his father's market. In 1962, Joe's father, Frank, became a Tops Markets franchisee, eventually opening three stores in the Buffalo area. Around 2001, Frank sold one store to a competing Tops franchisee and two locations to Joe, who in turn purchased a third store for a new concept he had in mind: Dash's Market.

## New Concept

That third location, in East Amherst, N.Y., was stripped down to the walls, floor and ceiling to create what would become the prototype for the kind

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—Joe Dash, owner/CEO



of supermarkets Dash envisioned, with an emphasis on perishables. A traditional supermarket may feature 60 percent nonperishables and 40 percent perishables, Dash notes, but he wanted to flip the product mix ratios.

Given the competitive landscape of the Buffalo area, Dash knew that center store would be a tough sell, but he felt that he could compete with the higher-grossing perishables departments.



“I had an idea of creating that neighborhood environment under one roof, with a butcher shop, seafood, a bakery,” Dash says. “I wanted all these little mini markets under one roof. And I wanted to be a quality purveyor and have a unique variety.”

To create the ultimate market, Dash and his team, including Mark Mahoney, VP/GM, traveled around the country for inspiration. The

resulting concept uses some techniques and methods that the family had used in its previous stores, as well as other best practices that the team saw in cities around the United States that Dash embellished or adapted to work in its own stores.

“When we saw something we liked, we asked, ‘How do we improve it?’” Mahoney says. For example, the artistically stacked produce was

#### DASH'S AT THE TOP

**John Mills, East Amherst store manager; Mark Mahoney, VP/GM; Joe Dash Sr., owner and CEO; and Joe Dash Jr., director of e-commerce.**

a technique that the Dash team first saw in a Chicago Whole Foods Market. Others in the industry said the stacking method, while attractive, would never last, as it was too labor-intensive. Fourteen years later,

however, the produce continues to be stacked every day the way the team first envisioned.

"It's kind of like a puzzle," Dash says of the store concept. "All the pieces, when you put them together, [form] a concept that I know will work in a lot of places, but not everywhere. These stores don't work everywhere."

The stores are located in healthy neighborhoods with a lot of rooftops and pull in a more sophisticated consumer with a higher-than-average income. "We're a neighborhood market," Dash notes. "I don't consider ourselves a grocery store; we're definitely not a supercenter or a convenience store. We're a neighborhood market that has a lot of unique things, that really thrives on taking care of the neighborhood."

### Focus on Protein

In establishing Dash's Market, Dash first focused on center plate — proteins — with the idea that if the team was successful with that, they could get customers to buy what they needed to fill up the rest of the plate. "When we started, it was, let's get them hooked on the meat department, and maybe we can sell them the potatoes. Then, maybe we can sell them the dessert, the bread. And maybe then, we can sell them the spices. But let's work on center plate [first]," Dash explains.

The first step was building a reputation for the meat department. The stores feature butchers cutting meat to order every day until 6:00 in the evening, including unique cuts like the tomahawk. The wide selection includes USDA Choice and Prime beef, veal, lamb, dry-aged prime beef, and house-made sausages. Meat accounts for 20 percent



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16-ounce lobster tails — product that many supermarkets are moving away from, Dash says. The company additionally made the decision to source only sustainably caught shrimp, which costs significantly more than traditional shrimp.

of store sales, and is the second-fastest growing department in the stores.

For seafood, Dash's uses a Boston-to-Buffalo run in which the fish is caught one day and in the stores' showcases the next, while other varieties, like ahi tuna, are flown in fresh from Hawaii. The stores also have colossal crab legs on display and



### NO SHRINKING ON SHRIMP

Dash's Market sources only sustainably caught shrimp, even though the cost is significantly higher.



### A SLICE ABOVE

Dash's Market's unique slicer creates a distinctive deli meat display that causes customers to stop in their tracks.

"But that's the way I want to take the company," Dash asserts. "I want the best quality, so we went to this shrimp. We've had to educate our customers on the attributes and value of what we're doing. We've really been able to grow it faster than I thought we would."

### Importance of Perishables

Once the departments that provided the protein for customers' center of the plate were up and running, Dash and his team turned to establishing the other perishables departments. The cheese department, for instance, has an extensive display.

"We're not afraid to pile it out there, because we have confidence that we're carrying the right items at a great value, and we're going to sell it," Mahoney says.

The deli department features prosciutto from Italy and nearly every local brand of cold cuts. The department draws a lot of attention for its unique product display. Dash's uses a high-tech slicer that calculates weight, slice increment and number of slices.

The machine is set to shingle the slices as they come out of the slicer onto a conveyor belt. The shingled slices are then stacked perpendicularly in the deli case. Deli meats account for 70 percent of the department's sales.

"If you look, [the deli] is where all the customers congregate," Mahoney points out.

In produce, the company has



### CARVING STATION

The carving station in the prepared food department has become popular by offering freshly sliced prime rib, turkey and other cooked-on-site meats.

introduced a farm-to-fork program in which Dash's has partnered with several local farms to bring in as much conventional and organic produce as

possible. One such partnership is with an Amish farmer, and the produce manager drives about an hour to the farm twice a week to buy organic produce. He buys it one day, and it's on sale to customers the next. Organic produce is cross-merchandised with conventional items in the department, but also displayed in a dedicated organic section for those customers who want only organic products.

"Organics has become a big part of our business, and we see it growing," Mahoney says. "We have a plan that when needed, we'll expand the whole footprint of our produce department in our stores."

In the rest of the departments, organics are popular as well, so in his plans to remodel the location on Hertel Avenue, in Buffalo, Dash is going to add a specific organic/natural section next to produce, to make it even more convenient for organics-minded shoppers to find what they need.



### NEOPOLITAN-STYLE ARTISAN PIZZAS

Customers flock to the thin-crust pizza with varieties like The Antique, which features garlic oil, marinated artichokes, ricotta, crisp pancetta and tomato.



### ARTISTIC DISPLAYS

The produce department takes full advantage of the products' inherent colorfulness (top), and pastries are beautifully arranged in the Spot, the stores' coffee/pastry shop.

### Extensive Prepared Foods

Three of the four Dash's Markets feature an extensive prepared foods department; the North Amherst store was expanded in 2005 to increase the square footage dedicated to the department. The new design became the prototype for the other two locations. The Marketside

Café concept focuses on the types of food the majority of customers want, Dash notes, which are mostly made to order. "I'm not big into a buffet-style hot-meal program," he adds. "Once it's made and you keep it heated, the quality breaks down."

The department offers breakfast, lunch and dinner, and the extensive

menu includes signature sandwiches featuring house-made artisan bread, Neopolitan-style pizzas with crusts made from semolina flour imported from Italy, fresh salads, entrées, and a carving station with daily fresh-roasted proteins like prime rib and turkey.

"From day one, Joe's philosophy, which I adopted, was to do the highest-quality food at a great value," says Sean Van Volkenburg, Dash's executive chef. "We're cooking from scratch every day, and just trying to give customers restaurant quality at a great value."

To help maintain quality, Van Volkenburg and his staff of 40 try to use the same ingredients in multiple products to maintain freshness and integrity. Freshness also is helped by the almost daily deliveries — meat is ordered by the meat department, and fruit and vegetables by the produce department. That way, rather than deliveries two or three times a week, as at many foodservice establishments, Marketside Café gets fresh product daily off the supermarket delivery trucks.

### Popular Menu Items

Van Volkenburg and his team have successfully tapped into products

that keep bringing customers back, sometimes every day. When stuffed hot peppers were first introduced, demand was for about two cases per week, but now the department goes through about five cases a day. The Thanksgiving Leftovers sandwich, another customer favorite, features fresh-roasted turkey, house-made stuffing, cranberry sauce and gravy piled atop thickly sliced scratch-made white bread.

Dash's is also known for its slow-roasted chicken, which features a third leg. "We call it a three-legged chicken," Dash says. The 3.5-pound chicken (plus a leg) is a departure from what many other stores are selling, which is a 2-pound chicken, Van Volkenburg notes. "You can feed a family of four, and your center of plate is only \$7.50," he adds.

Breakfast sandwiches are sold on Dash's signature English muffins, which are mischievously known in the store as "Dash's Crack." "Once you eat them, you can't stop," Mahoney quips.

"The café has been huge, huge for the store as a whole," Dash says. "It brings in a customer that maybe wouldn't normally shop with us. They come here and have breakfast, lunch or dinner with us, and then they'll start being converted into a Dash's customer and shop the whole grocery experience."

When the prepared food department was first introduced, it did about \$5,000 in sales a week; this year, it will pull in more than \$2 million at the East Amherst location alone, with about \$5 million to \$6 million company-wide. Accounting for 10 percent of sales, it is the fastest-growing department in the company.

### The Dash's Experience

The Dash's experience is one that the company is deeply committed to, and much of it comes from the stores' smaller size and tailored product assortment. The stores are designed



### DASH'S DELIVERS

**The company introduced an online shopping component one year ago, and sales have grown so much that management is considering expanding the delivery area to act as a "fifth store."**

to enable customers to complete their shop in 20 minutes and leave with a full basket, although many return three to four times a week to shop the fresh departments. This commitment to a quick shop was conveyed by one of the company's early taglines: Get in, get out and get on with life.

The company also prides itself on its staff-to-customer ratio. When



Dash first purchased the stores from his parents, the company had 70 employees in two locations; now, with four locations, the stores boast a total of 650 employees. "We can give

personalized attention,” Dash says. “I think our people set us apart. They’re great at welcoming our guests into our house. They have strong people skills and make our customers, our guests, feel at home.”

For customers who can’t make it to the stores, Dash’s Market introduced online ordering last year. Marketed almost strictly through social media, the service is quickly gaining momentum, and the company has signed on to be the grocery delivery service for the University of Buffalo. The pickers and delivery drivers are all Dash’s employees to help ensure the highest-quality items are selected and delivered by personnel who embody the grocer’s high-service mentality. Customers include everyone from busy professionals to mothers of young children to people with mobility problems.

Some of the first online customers were people from out of state who were ordering groceries for their Buffalo-area parents. Mahoney relates the story of one woman who lives in Florida and talks to her mother every Sunday to place her parents’ grocery order for the week.

### Online Growth

One of the most surprising aspects of the online orders is that they’re a flip from the fresh-focused in-store baskets to center store-focused orders. “Home delivery for perishables is a tricky sell because people want their steak like this, they want their produce like that,” Dash says. “Not that we aren’t selling those things, because we are, but our grocery or center store business is really taking off.”

The online orders also are about four times larger than the average in-store basket ring. Customers are stocking up when they place online orders, unlike how they shop in the brick-and-mortar stores. “Every

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—Mark Mahoney, VP/GM

order that goes out is like picking up four customers,” Dash observes.

Currently, Dash’s Delivers, as the company’s e-commerce component is known, services the 89.5-mile area around the stores. The East Amherst store acts as the central picking store, and all orders are shipped out from there because it carries the most SKUs of all of the locations and houses the commissaries for bakery and meat. The company is considering expanding the delivery zone to additional ZIP codes. Dash sees the service allowing the company to grow in markets that may not be ideal for a brick-and-mortar store.

“Brick and mortar has become so expensive, online can be our fifth store,” Mahoney adds.

### Continual Growth

e-Commerce is the future, Dash notes. “The old way doesn’t work,” he explains. “If you run a conventional store today, you’re a target. You have

to be on the cutting edge or be different or have a different approach. You can’t be a slouch, you can’t get away with shortcuts.”

With the stores’ location in a region that has just achieved a stagnant population after years of decline, survival requires an unconventional approach, and growth requires innovation to keep attracting customers. Dash’s Market is achieving that with growth greater than inflation since 2002. “We’re very successful, but it’s taken us 14 years to get there,” Dash points out.

Much of this growth is due to word of mouth and customers raving to other consumers. Dash strives to get shoppers to come in just to buy a quart of milk and a loaf of bread. He believes that by treating them well, within a year, those consumers will be doing the majority of their shopping at Dash’s Market.

“There is no magic,” Dash says. “If you get someone in the door, take care of them; that’s how you get them back. If you don’t take care of them, they don’t come back, because they have too many choices.” PGI

## Partnering With Local Vendors

**Dash’s Markets, with four stores in the Buffalo, N.Y., area, has placed significant importance on partnering with other local vendors since its doors opened in 2002, even before “local” became the consumer trend it is today.**

**“We’re probably the largest supporter of local foods in western New York,” says Joe Dash, owner and CEO. These companies are part of the fabric of the region, he notes.**

**About six times a year, the stores run a special wrap around the weekly ad that features all of the local suppliers in the store, from Mayer Bros. apple juice to Perry’s ice cream to Jake’s All Natural Rubs. On the store shelves, tags delineate which products are manufactured or sourced locally.**

**“We’ve always carried the products, but five years ago we said, ‘Let’s start featuring them all together in one of our fliers.’ That’s been a home run for us,” says Mark Mahoney, VP/GM.**

