

Pioneer Market Meets Downtown Troy

BY STUART REID

Pioneer Market opened on Oct. 5 after five years of organizing. Located in the central downtown of Troy, N.Y., the co-op attracted major civic investment as the only full-sized grocery store in the downtown area, anticipating that it would become an anchor for renewal.

Troy is an historic city with a colorful past. Once the second largest steel producer and a hub of the garment industry (“Collar City!”), the city skidded into the Rust Belt when both sectors closed shop. The population declined dramatically, and community investment stagnated. The city is now generating a wave of renovation and revitalization, and Pioneer Market was fortunate to catch a ride. A large portion of its start-up funding came from community development funds and low-interest loans.

Board President Alane Hohenberg says everyone is thrilled with how attractive the co-op has turned out. “It is so beautiful—exactly what we envisioned.” The store serves a diverse population, and its mixed inventory of conventional and natural product lines reflects this. At opening, the balance was near 50:50, in part because they were able to obtain conventional stock more quickly to prepare for opening.

The co-op faced considerable deadline challenges in order to open on schedule, and the staff found things a bit chaotic. By the time the store held its grand opening, three weeks later, loose ends were still being tied. As shopping patterns and customer preference become clear, Manager Bruce Storm sees the product line balance shifting closer to their original plan of 70 percent natural, 30 percent conventional.

The big hit has been the new store’s prepared foods and deli. A high percentage of the store’s business is walk-in; with many offices and businesses nearby, there is a strong demand for high-quality lunches and take-away dining options. According to Storm, “Our deli manager is incredible. We have had excellent lunch menus for a month and never repeated anything.”

While the co-op is well-positioned to serve the nearby, downtown market, it is finding it difficult to build up business from people who drive. Pioneer Market has no off-street parking at the store, and during business hours customers must either use metered parking on the street or park in a shared lot about 1½ blocks away. Street parking is readily accessible on evenings and weekends after business hours, and the people who come to shop have not complained, but there is concern that many customers, including members, are not making the effort.



PHOTO BY ALIX DUGGAN

Pioneer opened with 700 members and quickly grew to 896. However, point-of-sale tracking showed that only a little over 300 members patronized the store in a recent week, while 60 percent of sales have come from nonmembers. Storm has been aggressively promoting the new co-op through flyers, coupons and joint marketing efforts with other downtown businesses.

Much of the co-op’s market area consists of low- to medium-income residents of Troy. The co-op’s prices initially had reflected Manufacturers’ Suggested Retail to expedite opening. This resulted in noticeably higher prices than other area supermarkets; these prices have since been adjusted to create a better value and price image. In the meantime, sales are still well short of the projected \$52,000/week, with the best performance so far at about \$32,000. “I’m doing a lot of juggling,” says Storm.

Meanwhile, the co-op is not hesitating to act on its mission. It has hired a young and diverse workforce. Staff and customers alike appreciate the bicycle-friendly access that the co-op provides. Hohenberg speaks enthusiastically about the Produce Project that has been supplying the store with fresh produce and continues to offer greens from hoop houses even in winter. The Produce Project is a collaboration between Troy High School and Capital District Community Gardens. Troy students who participate in the program learn about agriculture as a business by planting, growing, harvesting and selling vegetables. The co-op also buys artisanal cheese from a local farmstead, where students are introduced to the craft of

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Pioneer Market

Troy, N.Y.

Opening date: Oct. 5, 2010

Staff: 33, mostly part-time

Sales:	Weekly	Annualized
Projected Sales	\$52,000	\$2,704,000
Typical Week	\$29,000	\$1,508,000
Best Week	\$32,000	\$1,664,000

Member-owners

700 at opening, 896 by Dec. 1

Facility co-op is purchasing

Retail sq. ft.	4,277
Total sq. ft. on 1st floor	6,046
Total sq. ft. w/ basement	9,572
Off-street parking	none

European classics.

Pioneer Market faces a real challenge in building up sales levels to where they can support the store. Site issues, particularly parking, add to that challenge. The board accepted this because they felt the need for a downtown store was strong enough to overcome these shortcomings. Like all co-ops, Pioneer Market has the advantages of loyal owners and strong community backing. ■