

Corner Store in Low-income Neighborhood: A Challenging Road to Provide Healthy Food Access

INTRODUCTION

Racine Food Mart (RFM) (pseudonym) is a small convenience store located in the Englewood neighborhood on Chicago's south side (See **Figure 1**).

- The store opened in May 2003 to create a “one-stop shop” and meet the needs of a community the owner felt was being underserved by traditional food retail.¹
- Approximately 3500 square feet in size, the store sales grocery items, produce, prepared foods (such as pizza, fried chicken, hot dogs, and fish) and fresh meat.
- Store mission: *“to create a space for community residents to have access to healthy food items and other necessary things relevant to their everyday use, while providing good customer service.”*



Figure 1: Racine Food Mart

Store Setting

One of the official 77 Chicago Community Areas, Englewood, has approximately 24,369 residents. Ninety-five percent of the population in Englewood is non-Hispanic Black (95%) compared to 29% in Chicago overall.

Approximately 65% of Englewood residents are younger than 50 years old and 20% are between 50-65 years old. The poverty rate for the community is 44%, with more than half of the population (55%) report having a household income of less than \$25,000.² The majority of residents (76%) have at least a high school diploma with only about 10% reporting that they received a bachelor's or Graduate/Professional degree.

Food availability is one of the biggest challenges in neighborhoods where residents have multiple environmental barriers to acquiring access to healthy food.³ Despite an increasing number of full-service supermarkets in the city, low food access persists.⁴

About half of the households (49%) report not having access to a vehicle,³ which further demonstrates the relevance of local grocery stores like Racine Food Mart. In recent years, Chicago has had a rise in violence, and the Englewood community has also been impacted by this trend. In June 2021, Chicago had recorded at least 1,892 shootings, an increase of almost 12 percent compared to 2020's 1,692 and a 53 percent increase over 2019's 1,234 shootings during the same time. Homicide rates in Chicago exceed that of peer cities including Los Angeles and New York.⁶ The homicide rate is also high for Englewood. Violent crime incident rate for the neighborhood is 11,173 per 100,000 population which is higher than the rate for Chicago (i.e., 4,491 per 100,000 population).⁵

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Healthy Food Availability Index Score: **12.7**

Nevertheless, despite these challenges, Englewood is a very engaged community with numerous cultural assets and a rich history. Established in the 1850s, by the early 1900s Englewood had grown to become a thriving residential neighborhood on the growth in the railroad and the stockyards. In 2005 and subsequently in 2016, with support of its backbone community completed a community strategic planning process to improve the quality-of-life plan organization, Teamwork Englewood, the known as Englewood Quality of Life Plan (EQLP).

Methods	
Data Collection Tool	Number of Data Points
NEMS-S Short Form	3
Sales Recall	3
Staff/Stakeholder In-Depth Interviews	6
News Articles	1
Other	Photos, maps

STORE OPERATIONS (prior to 2020)

Organizational Structure

- The store has been managed by the current store owner since it first opened.
- Currently, it has five employees including one butcher, and there is a diversity in the race/ethnicity: i.e., three employees are African American living in the same neighborhood and two employees and store owner are Arabic Americans.

Store Features

Racine Food Mart is a small convenience store with 3500 square feet of area. There is no parking lot, however, street parking is free. The majority of the customers for the store are from the Englewood neighborhood who normally do not use car when they visit the store. There are two cash registers in the store.

Overall, the store is congested with product and has inventory storage in the basement. Some of the produce items are also displayed close to the cash registers. Unhealthy snacks such as chips and candy bars are at front of the store. The store owner also discussed the role of ‘impulse buy’ in the placement of items.

The store also offers both cooked/prepared hot meal and uncooked/raw meat. Fried chicken and pizza are the most selling cooked meal based on the perceived demand. An on-site butcher is also available to help with the raw meat.

The store accepts SNAP. It is not enrolled in the WIC program since there is a WIC food center less than one mile away. In collaboration with IMAN (Inner-city Muslim Action Network), the store offers benefits through Link Match program where matching currency can be redeemed when residents purchase produce using the Link Card.

FOOD STOCKING AND SALES

The store owner is responsible for ordering the inventory for the store. The amount of stock and frequency of order depends on four factors: buying power of the store, the turnover rate for product, the floor space in the store and the amount covered in store insurance. RFM has low buying power, operates in a small space, and varied turn-over rate for products. The store owner also mentioned about being mindful about the cost of stock not exceeding the amount covered in the store insurance.

Vendors and Wholesalers

In the past, Central Foods Distributor and Dearborn Wholesalers were the point of source and had wide range of products. After their bankruptcy, it was challenging for the small grocery store owners who depended on these wholesalers to source products. The store uses Dearborn Cash & Carry and Restaurant Depot for canned goods and dry goods, and Neeley's for fresh meat. For Deli meat, the store uses an independent supplier from Detroit, Michigan. The majority of food is delivered to the store, however, there are some products such as produce for which store owner shops himself about four to five times a week considering the space in the store.

Inventory Decision Factors

Following factors play a role in selection of inventory: Customer collaboration/feedback: The store owner considers the priorities, culture, and lifestyle of the residents of Englewood when he orders inventory.

Having employees from the same neighborhood:

Store owner also mentioned that having employees from the same race/neighborhood act as informants and assist with stocking decisions.

How Prices are Set

The store owner sets prices for the inventory. The pricing is based on the desired profit which is typically 30% for small stores. He compared the strategy with the big chain stores where the prices are lower than the small corner stores because of lower profit mark-ups and selling higher volume of products. The challenges small stores have in pricing is lower buying power, lower product quantity sold each day and lack of incentives from the manufacturer. For produce, prices are not consistent.

COMMUNITY ENGAGEMENT

To engage community, the store employs several strategies:

- Supporting different community-based organizations in the neighborhood.
- The store is part of the 'Corner Store Campaign' which is a collective effort from IMAN in collaboration with multiple corner stores in south Chicago to understand and improve food access in low-income neighborhoods.
- The store organizes and participates in neighborhood block parties. Before pandemic, the store also had "back to the community day" event where the store was giving free grilled burgers to the community residents.
- A good relationship with customers is a key area the store owner always strives to accomplish -- through respect and empathy from him and his employees.

REGIONAL IMPACT OF THE EVENTS OF 2020

Since COVID-19 pandemic and civil unrest associated with George Floyd's death occurred during the same time, which had a big impact in the neighborhood. Some stores were looted, and some stores closed. Therefore, people had to travel far for shopping.

People lost their jobs in the neighborhood which decreased their income and further their buying power. People were more focused on shopping the necessary items.

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The store was invited at the virtual town hall organized by IMAN where the store owner participated in the virtual conversation from the store. The idea was to neutralize the tension between store owners and communities especially after George Floyd’s death and to create the positive environment not just in the store but also outside of the store.

STORE OPERATIONS DURING THE PANDEMIC

The store was able to prove its relationship and engagement with the community during pandemic as it was the one among few stores that were open during pandemic and was not targeted during civil unrest. The store was also featured in a magazine as ‘Best Corner Store’. The following operational changes took place:

- The operation hours reduced to 9:00 am – 6:00 pm, reducing store income and employee hours.
- Plexiglass was installed at the cash register areas and there were six feet social distancing marks on the floor.
- Following the city recommendations, the store required all customer to wear mask. Masks were provided to those who needed one.
- The store hired a security person to ensure the mandates.
- There was restriction on number of people in the store at a time.

Changes to Procurement and Pricing

Store owner reported that due to shortage of products in the market, it was problematic at store. It also increased the prices which further reduced the buying capacity of the customers.

Customer Changes During Pandemic

The store experienced change in customer base during the pandemic. Overall, the number of customers visiting per day decreased and the biggest decrease was in the elderly population. Further, the store owner perceived that it seems challenging to get back the customer he has lost during pandemic. He is considering increasing store hours to recover this loss.

The purchasing behavior of customers changed. They focused more on the necessary items due to loss of income. Store owner reported a significant decrease in sale of prepared meals during the pandemic. Stocking and sale of cleaning products such as hand sanitizers and disinfecting wipes increased during the pandemic.

Availability of Healthy Foods

Table 1: Healthy Food Availability Index Scores Across Data Collection Timepoints

	Points	T1 (6/23/21)	T2 (7/8/21)	T3 (8/25/21)
HFAHEI*	12.6	11	14	13
CP1**	13.37	13.37	13.37	13.37

* Healthy Food Availability for Healthy Eating Index

** Consumer Price Index

Perceptions About Eating Behavior of Community Residents:

There was a lack of variety of healthy food available at the store. The store owner mentioned that community residents prefer full flavor products over less salt/less sugar products. He added that introducing a new product is challenging as customers are hesitant to it which leads to loss to the owner. The store owner perceives that changing the eating behavior is difficult since it is a learning process from one to next generation.

LESSONS LEARNED

- The limited space in the store creates challenges for inventory layout.
- Community based organizations play a very important role by bridging the gap between community residents and corner stores.
- Since the Chicago store is a privately owned business, and there is no external funding available, it limits the capacity of the store owner to introduce any new healthy products.
- Creating a dialogue sharing platform between food store owners and community residents can be helpful to resolve conflicts.

FUTURE DIRECTIONS

Racine Food Mart is a well-received store in the neighborhood due to presence in the neighborhood for almost two decades, good customer service, creating employment opportunities for residents, and open for collaborations with stakeholders working on food access projects in south Chicago. Moving forward, first, it is necessary for the store to evaluate its layout to consider the stocking of fresh produce to a place where it can have customers' attention. Second, the use of social media can be helpful to tell community residents about any new healthy products in the store. Finally, collaborating with organizations conducting nutritional/healthy cooking classes for residents can be useful to educate community residents about incorporating available produce into their meal.

IMPLICATIONS/SUMMARY

This case study describes the experience of small corner store in low-income Chicago neighborhood and suggests that community engagement is one of the key components for food stores in areas with high crime rate. Considering residents' purchasing preference, selling healthy food is challenging, therefore, more efforts are needed to ensure the consumption of available healthy food.

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