

Looking

· Blood-sugar management

Cognitive health

Inflammation

Pat Sardell says her

customers want cost-effective and natural alternatives to address emerging health concerns. Read how you can promote your consumers' wellness on page 21.

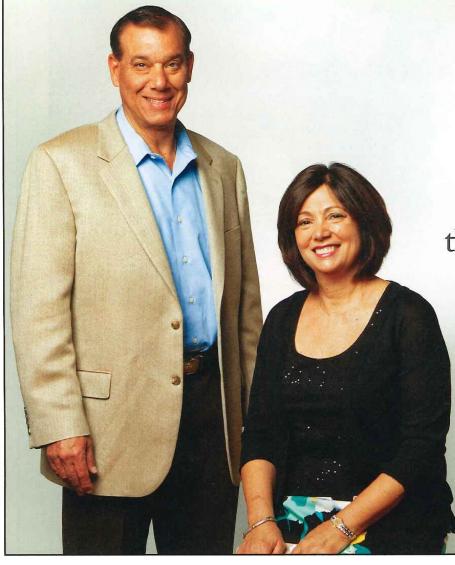
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November 2012



Keith and Karen DeFiore Kantor transformed Service Foods, their Atlanta-based delivery service by focusing on health and wellness. Learn how they did it on page 34.

# **Keith Kantor**

## Focus on health and wellness

By Kelsey Blackwell

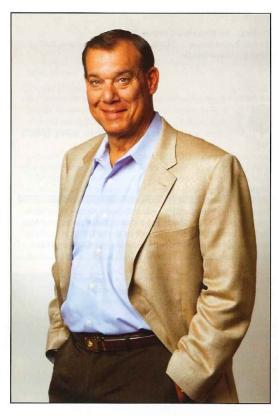
Keith Kantor, PhD, saw the writing on the wall before many of his competitors did. Back when the nation's economy was still stable, he realized it was only a matter of time before it would turn and consumers would no longer have disposable income to buy specialty food products.

In 2007, Kantor and his wife, Karen DeFiore Kantor, a registered nurse, changed the focus of their gourmet goods delivery company, Norcross, Ga.-based Service Foods, to prioritizing health. Kantor returned to school to get a master's degree and doctorate in nutritional science. Then he hired a team of 42 health practitioners to help shoppers reach their wellness goals. These efforts paid off. Between 2008 and 2010, when many stores experienced record sales declines, Service Foods' numbers remained flat and market share increased. Kantor talks with Natural Foods Merchandiser about transitioning his company's

#### How did you determine that a focus on health could help your business weather economic change?

Keith Kantor: We realized we could build trust and create lifelong customers by educating people about disease prevention using proper nutrition. Sadly, this kind of information isn't readily available through our health care system. Actually, I don't think we really have a health care system. Instead of trying to address the root of health issues, conventional doctors just treat symptoms. Our store's vision is to improve America's health through all-natural foods, nutrition education, fitness and proper supplementation, thus helping to prevent disease.

How did your product mix change during this transition? KK: We increased the number of products we carry, but now everything must be U.S. Department of Agriculture Certified Organic or meet the National Product Association's Natural Standard. I'm on the NPA committee that will determine criteria and label specifications for all-natural products. Our store's standards don't allow for anything artificial, which means no



additives, preservatives, dyes or steroids. Our natural definition also means no genetically modified organisms, which is getting much harder to uphold. I won't even buy meat from ranchers who

#### Where did you find a team of health professionals? How did you work their salaries into your business plan?

KK: It was easy to find them because my wife was already a registered nurse, my daughter is director of training for [Chanhassen, Minn.-based wellness company] Life Time Fitness, and I was going for my doctorate. We trained most of them to be what we call "wellness coordinators." They go into homes and plan menus and exercise programs and help with natural weight loss when asked. If there's something the coordinators don't know, they'll consult with me, my wife or a higher-tiered health professional. They're not all registered dietitians and nurses, so we're not paying that level of salary.

#### Do you work with outside health organizations?

KK: Vital Healthcare Group is an association of about 10,000 doctors nationwide that refers patients to us after they've been seen by a medical doctor. The group might say, "This person has high blood pressure; can you put them on a heart-healthy diet?" or "This person has cancer; can you put them on a diet high in antioxidants?" We'll supply a menu broken down by grams and send it to Vital Healthcare, and the company will add it to the patient's digitized medical record.

Some people buy from us because our food tastes great and it's

## 3 tips for promoting health in your store

Follow Keith Kantor's lead

#### Make education free and convenient.

Service Foods offers customers health information at a time and place that's most convenient for them. Health practitioners meet with shoppers in their homes and offices and will even schedule virtual consultations via the

### Offer the latest health information.

Service Foods' staff follows updates from the USDA and Food and Drug Administration, and the owners maintain a close relationship with natural medicine advocate Michael Murray, ND. The company posts relevant information on its website, such as a tip from a recent book about how aspirin interferes with the absorption of vitamin C. Staff uses social media to answer shoppers' questions even after business hours.

## Reach out to your community.

The retailer's health professionals regularly give presentations at Atlanta businesses in which they'll offer information about controlling blood pressure and blood sugar and even do cholesterol readings. Presentations also include cooking demonstrations and food tastings.

really high quality, and those customers stay with us for a long time. But those who come to us because they're interested in health stay with us forever.

#### Have you experienced trouble communicating why price points are higher for these products?

KK: People who hear the messagematter their income level-will make the effort to purchase better-quality food. It doesn't have anything to do with whether they're college students, on food stamps or the head of a Fortune 500 company. We have all kinds of people who buy good, healthy, wholesome food.

Consumers can get organic in just about any store, but they can't get somebody who knows about the product. We try to tell those product stories. People will respond if they know what they're consuming. We partner with some of our major vendors to get the word out.



#### BUSINESS DETAILS:

Warehouse size: 20,000 sq. ft.

Employees: 50 SKUs: 500 Open since: 1981



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