

Supermarket Wars: Will New Toms River ShopRite Kill Toms River Foodtown?

Consultant weighs in on impact of new Rt. 37 ShopRite on other food stores

By [J. R. Warnet](#) and [Catherine Galioto](#)
January 16, 2012



With the opening of the [new Saker ShopRite](#) at the Crossroads Center on Route 37 and 166, another player on the supermarket scene fills the long-vacant spot once held by a Perlmart ShopRite.

Across the street, a [Food Circus Super Foodtown](#) sits in one of the older supermarket locations in Toms River. And the Middletown-based company [recently announced](#) its Bayville location will close.

How will the new ShopRite affect what looks to be a burdened [supermarket](#) industry?

Toms River Super Foodtown Doing Well, VP Says

Louis Scaduto, Jr., the vice president of Food Circus, said the Toms River location remains an important part of their Foodtown family.

He said there are no plans to close the store and that the location continues to have success.

"It's still a very viable location. A Super Foodtown is definitely warranted there," Scaduto said.

Opened in the early 1980s, the Super Foodtown has had minor touch-ups throughout its history instead of full-scale renovation, Scaduto said. But the location draws "tremendous positive feedback" from customers contacting the Food Circus headquarters.

Scaduto said that the location is less than stellar when factoring in the traffic of Route 37 and 166. He said traffic jams are also a problem in other areas in town.

"I don't think anything shines from traffic in Toms River," Scaduto said.

Richard Saker, president of Saker ShopRites Inc., said the new location brings the Saker family into Toms River's market for the first time. Being a part of the community means being a good neighbor, he said.

"The Saker Family is thrilled to be a member of the Toms River community and looks forward to the opportunity to serve each and every customer as a good neighbor. We live and work in the communities we serve," he said.

Consultant Says Foodtown Will Suffer

Matt Casey of Matthew P. Casey & Associates studies the local market and offers advice to retailers in the pharmacy and supermarket industries. He painted a dim picture of the chance of survival for nearby Foodtown.



"They (ShopRite) probably operate the nicest supermarkets in Central Jersey," said Casey. "It will be a big store and have a lot of amenities. The store will have a lot of variety, selection and great ShopRite prices."

Casey, who has an office located in Clark, also spoke about the new store compared to other supermarkets in the surrounding area, calling it a strong presence in a "weak" corridor.

"The customer is really going to love it, especially considering the alternatives that are down there today," Casey said. "Other than the Stop and Shop to the east...the competition is relatively weak. This store is going to offer so much more than any other store in that immediate area."

More Competition

The impact is not just of new versus old, Casey said. Instead a new supermarket player will drive competition.

"This new ShopRite offers shoppers a very high quality supermarket alternative," Casey said. "Competition makes everyone better. The other ShopRites in the greater Toms River area will recognize the presence of this new competing ShopRite, and sharpen their already outstanding operations even more."

The [Fischer ShopRite](#), a Perlmart property, recently [renovated](#) its store, adding additional hot foods and bakery items and adding an employee parking lot, for example.

Scaduto said Food Circus continues to look at ways to keep the Toms River supermarket a strong property.

"Well, I have multiple plans for Toms River to drive as many sales as I can there," he said of the Route 37 Foodtown.

However, Casey said the Route 37 ShopRite will negatively impact the Food Circus Foodtown across the street.

"The Foodtown facility across Route 37, unfortunately, is an old, very tired facility that has been neglected for many years now, and will suffer a tremendous impact from this new ShopRite," Casey said.

Saker also spoke about the new store being at the old [Dover Mall](#) location. "Crossroads Center, at Route 37 and 166, is a great location and an area where we felt the community was underserved."

Route 37 also has a Stop & Shop to the east and a Walmart to the west. North on Route 166 is the Toms River Pathmark.

"The local Stop & Shop, Walmart, and other competitors will also be impacted, but to a much lesser degree," Casey said.

A key factor about the success of the new ShopRite will be prices. Comparison shopping rules the day in a down economy, Casey said, meaning consumers will shop the lowest prices in the grocer aisle.

"The relatively higher priced Foodtown across the highway is in dire need of an upgrade....but unfortunately, the horse is out of the gate already," he said. "Also, it is my belief that other than Walmart, Target, and Aldi, it's ShopRite that is the lowest priced conventional supermarket alternative in the area."

Shopper Loyalty?

Shopper loyalty is another factor in the survival of a supermarket. With the opening of a new property, how has that fared?

"Quite often, store loyalty does play into the shopper's choice," said Casey. "Since the Perlmart group and their local ShopRites have served Toms River customers extremely well over the years - and have developed extremely strong loyalty to the 'ShopRite' name, I strongly believe this new ShopRite on Route 37 will be very well received."

Scaduto declined to give out the foot traffic or number and amount of sales the Super Foodtown has. He said the feedback shows customers are loyal to that location. He did not say if there has been an impact on sales since the ShopRite opened across the street.

"It's business as usual," Scaduto said. "We're very, very happy with the location. Obviously, there's a new competitor across the street. But you've got to pick and choose the battles. We are very happy."