

Season 5 Episode 5
BETRAYAL - A Horror Story

DESCRIPTION
Retail Done Right™ tells its own horror story, and goes somewhere new: the problem. In Part 1, Cristene and Jeff examine the dollar store category, led by Dollar General, through one word: betrayal. Fact by fact, they cover thin store staffing, failed price inspections, safety violations, and what regulators in Pennsylvania, New York and Washington have ordered. Every fix comes back to labor.

In Part 2, they ask whether it has to be this way. Drawing on MIT's Zeynep Ton and examples from Costco, Walmart and SNAP produce-matching programs, they lay out the choices a retailer could make instead: better pay, real learning, and help at the register that doesn't feel like help. Plus 15 things to do with lentils.

The customer is the center of retail, and so are the people who serve them.

SHOW NOTES
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[00:00] Jeff: Cristene, what is the most talked-about genre in film today?

[00:07] Cristene: Well, it's Halloween, so it's horror.

[00:16] Jeff: Today on Retail Done Right, we're going to do our own version of horror.

[00:35] Cristene: We are. Let me set the story for you. There's a place called the Corn Crib in Lancaster. A corn crib is a thing that drives down the lanes of the corn, and you collect all of it in so that you can bring it into a parking lot and you can just sort of set it down. And the Corn Crib in Lancaster sells peppers and zucchini and eggplant for a dollar apiece. But that corn, that corn is 13 ears for $5.

[01:01] Host: Baker's dozen.

[01:02] Cristene: Now, picture a mom with three kids, or an elderly couple who, for any one of a number of reasons, can't go far. It's about eight miles for me. For them, the place that sells food for them is the one on the corner.

[01:18] Jeff: I think you're pointing out only one of you is getting a good deal.

[01:23] Cristene: Yep. Because I can drive the eight miles to get it, and I'm not working two jobs or dealing with mobility challenges.

[01:30] Jeff: And let me pile on. Imagine you worked that corner store. Here's your task list for the day. Unload and sort the truck. Stock the shelves before the doors open. Break down the boxes. Ring the customers. Answer the phone. Ring up the customers. Answer the phone. Change the shelf tags for this week's prices. Check the cooler temp and log it. Pull the spoiled produce. Rotate the dated items. Reset one aisle to the new layout. Process returns. Clear the freight out of the aisle so

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the exits stay open. Mop a spill. Count the till. Keep an eye out for theft. Close up. Carry the trash out alone after dark. Okay, 16 things. The list is imaginary, but it's informed by decades of retail experience. An example, but it's very real for some employees.

[02:25] Cristene: Yeah, and that's the sort of stuff that never shows up on a receipt. We are not blaming the person working that list. We're going to look at who wrote it. And yes, today we're naming them. Why we're saying this: because we started this show because we believe the customer is at the center of everything in retail. The customer is the center, not one channel. All roads lead to serving that customer.

[02:52] Host: And it's hard for us to watch people take advantage of that customer.

[02:57] Cristene: And it's just as hard to watch people take advantage of the ones we expect to deliver the experience. Even the sunniest person can turn a little gray and a little less service-minded in a small, dense store with small, dense aisles, with low light and a work list sixteen items long.

[03:18] Jeff: This is part one of two. Today we're going to a new place for Retail Done Right: the problem. But we're going to do it fact by fact. And part two is going to pay it off.

[03:31] Cristene: We've been focusing this season on the emotions in shopping, how we connect, experience and often love real, live, physical retail. This is not that episode. Today's experience, in a word, is betrayal. And our lens is aimed at the dollar store category.

[03:47] Jeff: Chief among them is Dollar General. Let's start with who's in the room. Let's count. Dollar General has 21,148 stores as of July 31st. A year earlier, it had 20,746. In the first half of this year, it opened 321 stores and closed 66.

[04:09] Cristene: Yeah, Dollar Tree has 9,436 in the US and Canada, and about 6,600 of them now carry items at $3, $4 or $5 even.

[04:22] Jeff: Family Dollar is a third, at about 7,100. It was 8,359 in early 2024. It closed nearly 1,000 that year and at least 350 more since it was sold last July. That's about one a day.

[04:39] Cristene: Okay. Let's add up the three of them and you get about... 38 ,000 stores. Kitchen Table Math, Dollar Tree, and Family Dollar together. are about 16 ,500. Dollar General is bigger than both of them put together.

[04:53] Jeff: And the company, Dollar General, says 80% of its stores are in towns of 20,000 people or fewer. For a lot of those towns, this is their primary retail experience. Okay, the economics. Last quarter, Dollar General top-line revenue was $11.3 billion, up 5%. Operating profit was $769 million, up 29%.

[05:19] Cristene: Okay, back to the math for a moment. We are in the economics section. Profit grew more than five times faster than sales.

[05:28] Cristene: Okay, that's not a crime. In years past, it was proof of a company doing well, but is it in this case?

[05:35] Jeff: Okay, so growing profit 29% off a traditional retail margin isn't exactly hard. The largest grocers run pretty lean. Costco runs about 11% gross margin with a 3.9% operating margin. Kroger

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for the latest quarter ran 22.4% gross margin and 2.8% operating margin. Dollar General, the company that is supposed to serve people at the margins, ran 32.6% gross margin at 6.15% operating margin. Dollar Tree, 42.9% gross and 7.6% operating margin. And Cristene, I know this will not make the situation any better for you. Let's do CEO versus employee pay.

[06:27] Cristene: Yeah, you're right. It's not. Because Dollar General, Todd Vasos, for the full year 2025, 8.16 million, or 8 million. Let's just call it 8 million. The median employee makes about 19,000. That is a ratio of 432 to one.

[06:48] Jeff: I'm next with Dollar Tree, Cristene. Michael Creedon, total pay just below 15 million, 14.78 million. Median employee pay, $16,214. That is double yours: 911 to 1.

[07:08] Cristene: Okay, I'm a little sick. Let's go to Costco. Ron Vachris, full year 2025, 14 million, just under 14 million. Median employee just under 50,000. So just hear that. Median employee just under 50,000. So the ratio is about 283 to 1.

[07:35] Jeff: And Kroger, Ron Sargent, interim CEO, at a $14.4 million annual salary. And the median employee is $34,500. So that's 417 to one. And let's stick with Dollar General for a minute. About 194,000 employees for about 20,900 stores. That's roughly nine people per store. And that counts part-timers, the warehouse, the headquarters. So the number in the store has to be lower. And I just want to pause and let that sink in for a minute.

[08:15] Cristene: Okay, I'm nauseous, but let's move to the shelves anyway. The CEO said in 2023 that a store carries between 11,000 and 12,000 different items. We know I like kitchen table math. About 11,500 items, about nine people. That's more than 1,200 items for every person on the payroll.

[08:39] Jeff: Dollar Tree reports about 150,000 associates across just under 9,500 stores. That's about 16 per store. Different format, so I won't push it, but it is a number.

[08:54] Cristene: So that's the setup. Profitable, growing, and running on a thin payroll and abysmal salaries. I think that's clear.

[09:02] Cristene: I think that's clear. We got it. So let's talk about what the regulators found.

[09:08] Jeff: Okay, we're going there. So in 2022, OSHA named Dollar General a severe violator, and I quote, "for willful, repeat, and serious violations," end quote. That finding is quoted in the company's own proxy statement, in a shareholder proposal. In April 2023, OSHA cited one willful and one repeat violation at a store in Pennsylvania. By then, it had proposed more than $21 million in penalties going back to 2017.

[09:40] Cristene: Then in July 2024, as if we haven't had enough, a $12 million settlement with the Labor Department covering the chain nationwide.

[09:50] Jeff: Here's what it requires them to do. Again, direct quote: cut inventory and stock more efficiently to stop blocked exits, fix blocked fire extinguishers and electrical panels within 48 hours and send proof, report to OSHA every quarter, and pay up to $500,000 for each future violation. End quote. This according to NPR.

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[10:16] Cristene: Listen to that fix. I just want to drill down on that for a second. Less stuff, stocked faster. Hazards cleared in two days. In two days, that's... never mind. I worked in the back on truck days at Pottery Barn. That's a labor fix. A blocked exit isn't something anyone plans. It's what a cart of freight looks like when there's one person in a truck.

[10:43] Host: That's true.

[10:44] Cristene: But it's more. I'm going to keep it local. Pennsylvania. You heard from Jeff a second ago. State inspectors ran 649 price inspections from January 2019 to July 2023. The pass mark is about 98%, and Dollar General failed more than 40% of them. Some scores were as low as 28%.

[11:10] Jeff: It settled in December 2025 for $1.55 million and admitted no wrongdoing.

[11:17] Cristene: Then let's go north to New York. On October 15th, the Attorney General's office reviewed more than 900 inspection reports. 43% of them showed failures above 2%. Then investigators went shopping at 11 stores in western New York and were overcharged on about 14% of the items they bought. The receipts were so confusing that shoppers had to do the math to find out what they paid.

[11:40] Jeff: The penalty? $1.875 million, paid in food and goods donated to a nonprofit called Foodlink. The Attorney General's release doesn't announce refunds to shoppers. And this is a trend, Cristene. There's a new lawsuit that's been filed by the Federal Trade Commission and 20 states, accusing Dollar General of charging customers more for products than it advertised. The chain allegedly mislabeled prices for years, quote, "extracting millions of dollars in unlawful overcharges," the FTC alleged. And I'll quote the FTC again: "Although Dollar General promises convenience, low prices, and value, the company has routinely charged customers more at the register than the prices displayed on the shelves, price tags, and advertisements. This pattern of inaccurate pricing has persisted for years and affects millions of purchases across the country."

[12:36] Cristene: And we're calling this episode betrayal, and that's because this is the customer who can afford this the least. Kitchen table math, and of course it's a hypothetical: if a 20-item market basket ran 14% over, about three items would cost more at the register than on the shelf. Okay, that's from 11 stores. It's an illustration, not a prediction. But still, who can afford that if you're struggling to make ends meet?

[13:12] Jeff: The Guardian counted more than 4,300 failed price inspections at Dollar General in 23 states since January 2022. The worst single result was 76% at a store in Hamilton, Ohio. Ohio settled for $1 million, Colorado for $400,000, and there's a $15 million national class action.

[13:34] Cristene: So what does the company say? To the Guardian, it said it's committed to accurate prices and disappointed any time it fails. Seriously? In a court case, it said it's virtually impossible to match shelf and scan prices 100% of the time. I'm sorry, but at Yum! Brands, and that's Taco Bell, and yes, sometimes I do crave Taco Bell, if your receipt is wrong, your order is free. I just want to point that out.

[14:03] Jeff: But nobody asked for 100%.

[14:05] Cristene: The pass mark is 98%. In Pennsylvania, the company failed more than 40% of the inspections.

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[14:13] Jeff: And here's the part that matters to us. Look at what both states ordered. Pennsylvania: enough staff to update shelf tags weekly. New York: staff assigned to keep tags accurate, district managers auditing every six weeks, and any discrepancy fixed within 24 hours.

[14:34] Cristene: When two attorneys general in two states both prescribe staffing, they are telling you where the failure starts. The register updates itself when a price changes. Somebody has to change the tag. The Guardian tied much of this to the thin staffing ratio on the floor.

[14:54] Jeff: And to be fair, the company has responded. Its annual report says it invested about $150 million in retail labor in 2023, mostly in labor hours.

[15:06] Cristene: Okay, well, I want to just do this one real quick, real quick, Jeff. I wonder if any of that came out of Todd Vasos's eight-plus million dollars. I'm sorry, I said that out loud.

[15:14] Jeff: I'll say. Yes, you did. But I think you should do more kitchen table math for us.

[15:23] Cristene: Oh, absolutely. 150 million across 20,000 stores is about $7,500 a store a year. At $12 to $15 an hour, and that's our assumption, I did not apply for a job there, that's 10 to 12 hours a week. About a quarter of one full-time job. So guess what? You're not getting a lot more in each store for that.

[15:51] Host: True.

[15:52] Cristene: Dollar General's answer to the food desert charge that they face all the time is food. In February, the company said fresh produce is in more than 7,000 of its stores. Many of them are in food deserts. It also has a bigger store, DG Market, with produce, meat, dairy and an expanded frozen food section.

[16:14] Jeff: 7,000 out of their over 21,000 is about a third. In 2021, the company said it planned produce in up to 10,000 stores. The produce set covers what it calls the top 20 items grocery stores sell: tomatoes, onions, apples...

[16:31] Host: Potatoes.

[16:33] Cristene: Okay. It says it has reached more than 1,300 food deserts. Notice the wording. "Reached food deserts" is not the same count as stores in food deserts. I'd like to know which one it is. But also, let me make another guess here. I'm betting they're not buying grade A produce.

[16:53] Jeff: In Bedford, Kentucky, the Chamber of Commerce director says the DG Market gave the town fresh fruit, vegetables and meat after a long stretch without a grocery store. That's the company's example. It's also a real town and a real need.

[17:09] Cristene: Yeah, and I never lose sight of that, as much as we are so upset and so troubled about the way they operate. Closer to home, I looked for the nearest food-format store to my zip code. The nearest one Google lists is a DG Market in Delta, about 22 miles south. Nothing in Lancaster that we can find.

[17:32] Jeff: What we couldn't find is anyone outside the company measuring it. Do people buy the produce? How much spoils? How does the price per pound compare with a grocery store? Every number on this program comes from Dollar General or its partners.

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[17:48] Cristene: And one more thing, which is our read and not a finding. Produce takes more labor than a can of beans. And another thing I couldn't easily find is cold chain training. Someone has to cull it, rotate it and log the cooler. On the payroll math we just did, that's a fair question for the company. So please understand, we recognize the need. What we are saying is that these communities' customers and employees are paying Dollar General a dignity tax.

[18:20] Jeff: Let's now look at it at a town level. The best evidence on what a dollar store does to the grocery next door comes from the U.S. Department of Agriculture's Economic Research Service, working with two universities. They tracked independent grocers from 2000 to 2019 after a dollar store opened in the same area.

[18:41] Cristene: In rural areas, the chance that an independent grocer closed was 5%. In cities, 1.7%. Sales fell 9.2% at rural independents, 4.7% in cities, and the effect lasted longer in rural areas.

[19:00] Jeff: So 5% is 1 in 20, though. It is a real effect, though it isn't a wipeout.

[19:06] Cristene: We're not saying dollar stores cause food deserts. We're saying they add pressure on the small grocers that towns have left. And here's the counterweight. A 2023 national survey by the Center for Science in the Public Interest asked lower-income shoppers who live near a dollar store what they think. And 82% of them said dollar stores help their community rather than hurt it. That's the mom with the three kids. She's not wrong. They need something close to home. We need to be able to do something that really helps these people. And I suspect we still haven't found it. Having the real estate is good. Equipping those stores to provide is better. Okay, so let's do a quick one on Family Dollar. They're a different company. We're keeping it separate.

[19:59] Jeff: In February 2024, Family Dollar pleaded guilty to holding food, drugs, medical devices and cosmetics in insanitary conditions at a distribution center in West Memphis, Arkansas. The fine and forfeiture came to almost $42 million, which the Justice Department called the largest monetary criminal penalty in a food safety case. The center shipped to more than 400 stores in six states, and it kept shipping until January of 2022, when an FDA inspection found live and dead rodents.

[20:35] Cristene: That was under Dollar Tree, which is a public company. The Guardian also found that more than 2,100 failed price inspections at Family Dollar in 20 states occurred since 2022. One store in Provo, Utah failed 28 in a row.

[20:55] Jeff: In July 2025, Dollar Tree sold it to two investment firms, Brigade Capital and Macellum, for just over a billion dollars in cash. Dollar Tree had paid about $9 billion for it in 2015. And since selling, about one store closes each day.

[21:14] Cristene: So here's the betrayal, and there are two of them. The shopper gets charged more at the register than on the shelf. And if you're shopping with $20 and adding it up in your head, a wrong price means putting something back. That was what my grandmother did, and she was faster at it than the woman at the register, all day, every day. I grew up knowing how to take the cheapest cut of meat and make it into dinner. And when there wasn't meat, we had eggs. Understanding how to stretch a food dollar is a skill. Being overcharged because a worker is overworked, now that's headed for a crime.

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[21:50] Jeff: And the worker is staffed so thin that the register is the least of what slips. Blocked exits, tags nobody has time to change. Two attorneys general and the Labor Department have now ordered the fix. And every one of the fixes, as you said previously, is about labor.

[22:08] Cristene: That's one chain, not two stories. It's why we keep saying the customer is the center. It doesn't mean the customer is always right. It means how you treat the people serving the customer is about how you treat the customer.

[22:25] Jeff: It's part of that story, exactly, Cristene. It's also about respect. So is this just how it has to be?

[22:33] Cristene: No, and this is where we turn. Some stores run the other way, across very different channels. A small grocer, a warehouse club, a convenience chain. Same customer, different decision. Okay, the idea that cutting labor leads to slipping operations, falling sales and more job cuts is the research of a woman named Zeynep Ton. And I want to make sure we reference her book, which is *The Case for Good Jobs: How Great Companies Bring Dignity, Pay, and Meaning to Everyone's Work*.

[23:07] Jeff: And that's part two: what it looks like when a store makes the other choice.

[23:14] Cristene: I'm Cristene.

[23:15] Jeff: And I'm Jeff, and we'll see you after the break.

Transcript: the break

[23:22] Cristene: Hi friends, we'll be right back with part two of our deep, dark dive into dollar stores. But first, a word about what's coming the rest of this season.

[23:32] Jeff: Oh yes, there's an episode on pets and the stores that serve them, and their owners, of course.

[23:39] Cristene: Then, we teased this, but there's the answer to this episode: small grocery and why it can be fabulous. Aldi, Lidl, Fresh Market, and a local Pennsylvania retailer named Boyer's.

[23:49] Host: Mm-hmm.

[23:50] Jeff: It's the antidote to giant stores and the lost hours inside of them.

[23:57] Cristene: Right. And then one of my favorites of the season is what I'm calling passenger seat brands. And by that, I mean trusted, authentic and genuinely fun places to shop. Think Aerie, Anthro, J.Crew.

[24:08] Jeff: No one's perfect, but they have a lot going on.

[24:12] Cristene: And then we have a recap of what we've learned this season.

[24:15] Jeff: And because Cristene has picked on AI all season, we're doing an episode on eight ways AI can help stores and shoppers.

[24:25] Cristene: And we'll publish the prompts, so shoppers who want an easier time can use them.

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[24:30] Jeff: Back to part two in a minute. Be sure to subscribe to our podcast if you haven't already.

[24:36] Cristene: And rate, share and comment. We really appreciate it.

Transcript: Part 2 and sign-off

[24:42] Cristene: Welcome back. This is part two of our deep, dark dive into dollar stores.

[24:47] Jeff: Part one was a lot. Blocked exits, wrong prices, a payroll about nine people deep. So we've covered a lot of wrongs, a lot of betrayal. And here's the question: does it have to be this way?

[25:02] Cristene: No.

[25:03] Jeff: You're pretty adamant on that.

[25:06] Host: Just wanted to stop for a second to make sure we got it.

[25:08] Cristene: Sure, we got it. Everything we just described is a management choice.

[25:15] Jeff: Not a law of nature, that's for sure, but a choice.

[25:19] Cristene: Choices that work against people who work there and against people who shop there.

[25:24] Jeff: So let's look at some other choices, starting with who's paying at the register. Here's the question we asked: how much of a Dollar General basket is paid for with public assistance?

[25:38] Cristene: The company doesn't say. Its annual report names SNAP as something that moves its sales, but it doesn't give a number.

[25:46] Jeff: One analyst puts SNAP in the mid single digits of Dollar General's sales.

[25:52] Cristene: So, kitchen table math. Dollar General sold 42.7 billion last year. 4 to 6% of that is 1.7 to 2.6 billion.

[26:02] Jeff: Yeah. Second way in. A tracking firm found Dollar General gets about 2.6% of what SNAP households spend on groceries. Federal SNAP spending was almost $102 billion last year. Take 2.6% of that and you get roughly $2.6 billion.

[26:23] Cristene: Two rough routes, same neighborhood. Call it a couple billion dollars a year in public money going through its registers.

[26:32] Jeff: That's a business that in part runs on public money.

[26:38] Cristene: Which is fine. People need to eat. But it makes our question fair: what does the company give back to the people who spend it, and the people who work there? So let's talk about what a few great decisions could be. What if Dollar General made them? Not a revolution. A few.

[26:55] Jeff: Start with learning. What if every employee could take free online courses on their phone, on their own time?

[27:03] Cristene: To be fair, the company says it already helps full-time employees with a GED, college tuition and paid truck driver training.

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[27:11] Jeff: So the question is reach. How many people? How many hours? How easy is it to start? How easy do they make it for their employees?

[27:21] Cristene: And there's evidence it pays. Not from them, of course. The Lumina Foundation studied Walmart's tuition-free program. Hourly workers who joined it were less likely to leave, and that retention is valuable to the company itself.

[27:37] Jeff: Hugely valuable. And they were 71 to 88% more likely to be promoted, depending on the group.

[27:45] Cristene: Next, tutoring. Local tutoring for employees and their kids, run with the library or a literacy group in town.

[27:53] Jeff: And then banking. A real checking account, a savings habit, maybe a credit union partner.

[27:59] Cristene: And my favorite, libraries. A library card for every employee and every customer who wants one. Dollar General already has a literacy foundation, so this door is open.

[28:10] Jeff: Small things, Cristene, but a store that does them becomes more than the store on the corner. Okay. What if wages went up? Now, the one thing everybody wants to hear, right? What if wages go up, Cristene?

[28:26] Cristene: Costco's CEO did just that. You knew I was going here.

[28:29] Jeff: Of course.

[28:30] Cristene: The entry wage is now 20 bucks an hour at Costco, and the top of the scale goes up a dollar a year for three years. The average US hourly rate at Costco: $32.

[28:45] Jeff: And Dollar General doesn't publish its average wage. Employees reporting to a pay site put a sales associate near $13 an hour.

[28:53] Cristene: So let's do the math, with our assumptions on the table. About 186,000 employees. Say each works 25 hours a week. That's about 1,300 hours a year.

[29:06] Jeff: A one-dollar raise for everyone costs about $242 million a year.

[29:11] Cristene: And Dollar General made $2.2 billion in operating profit last year. So that dollar is about 11% of it.

[29:19] Jeff: And on $42.7 billion in sales, it's about half a point of margin. Operating margin goes from about 5.2% to about 4.6%.

[29:30] Cristene: Still category-leading. $3 is about $726 million. A third of operating profit. Margin goes to around 3.5%, which is where Costco lives.

[29:42] Jeff: Which is exactly where Costco lives. Costco's operating margin is about 3.9%.

[29:48] Cristene: And a full $20 floor, with nothing else changed, would take most of the profit. We're not pretending it's easy.

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[29:56] Jeff: So what does Costco do that makes it work?

[29:59] Cristene: It sells about $790,000 per employee.

[30:04] Jeff: Compared to?

[30:05] Cristene: Dollar General, which sells about $230,000 per employee.

[30:12] Jeff: That was a layup for you, Cristene. I know it was. That is three and a half times as much per person. And Costco keeps about 94% of the employees who've been there a year. That's an amazing retention rate.

[30:26] Cristene: So the raise isn't charity, it's part of a model. More pay, keep people, sell more per person.

[30:34] Jeff: One more way to see the size. A $1 raise is nearly half of what Dollar General pays out in dividends in a year, about 520 million.

[30:44] Cristene: So the question isn't whether it's possible. It's who gets the next point of margin. We are saying: hold the dividend and help the employees. And at a point where so many people are struggling, isn't that the more valuable thing to do? But here's a harder way.

[31:05] Jeff: Yeah, but there's also help that doesn't really look like help.

[31:09] Cristene: Agreed. Agreed. How do you help people without making it feel like that?

[31:14] Jeff: Meaning no stigma at the register.

[31:17] Cristene: Right. Look at what already works. Double Up Food Bucks matches SNAP dollars, dollar for dollar, on fresh produce, often up to $20 or $25 a day.

[31:30] Jeff: At some stores it shows up as a loyalty reward, or a coupon on the receipt, or an instant 50% off.

[31:38] Cristene: Nobody in line knows it, but it's a deal.

[31:42] Jeff: Amazon sells Prime at half price to people on SNAP. Same membership, lower price.

[31:48] Cristene: So picture Dollar General doing it inside its own app, the one everybody already has to use for coupons. A produce bonus that looks like a coupon. Means that they turn more produce and they push more through the stores. Good for them, good for the shopper.

[32:05] Jeff: Same dignity at the register as the shopper with the nicest car.

[32:10] Cristene: And another: help for people who want to lose weight, or help break their children and husbands out of chicken nuggets for dinner. Dollar General has an app. How can they use it to help people make good choices?

[32:23] Jeff: A bonus for good choices. Here's one answer: sneak the good stuff in.

[32:29] Cristene: Oh, I do it. Flaxseed and spinach powder hidden under the ground chicken. Taco sauce hides all manner of sins, I promise.

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[32:37] Jeff: Researchers at Penn State did it with people... well, and you're a person too, Cristene.

[32:41] Cristene: Thank you.

[32:42] Jeff: They pureed vegetables into foods kids already like. Preschoolers ate nearly twice as many vegetables.

[32:49] Cristene: And adults too. In their study, adults went from about 270 grams of veggies a day up to 487, or just under 500. And they rated the food the same. Sneak some pumpkin into pasta sauce, add some spinach powder into soup.

[33:06] Jeff: The app can do that. A tip on the screen: swap a third of the meat for lentils or beans.

[33:13] Cristene: Beans are the same trick. Mash a can of black beans into the taco meat.

[33:18] Jeff: And add a bonus when you do it, like the produce coupon.

[33:22] Cristene: Dollar General already has pieces of this. It has a DG Better For You tag. It has online recipes built with a registered dietitian using things from its own shelves. But I went into stores and I didn't see it. People are tired. We get that. We need to try harder for them.

[33:43] Jeff: Yes. In Baton Rouge, DG worked with the mayor's health program to put produce into free cooking classes at a hospital system.

[33:52] Cristene: And in North Carolina, medical students ran a store tour at a Dollar General, and cooking classes at a church with canned food from the shelf.

[34:01] Jeff: So who pays for a bonus?

[34:03] Cristene: Well, here's how federal match dollars work. A nutrition incentive grant needs a dollar of non-federal money for every federal dollar. That can come from a state, a town or private sources.

[34:18] Jeff: So a brand puts up a dollar, a town puts up a dollar, a foundation, maybe a church, working through a nonprofit, and the grant matches it.

[34:27] Cristene: Only a nonprofit or government agency can apply, but they can work with any store that takes SNAP.

[34:34] Jeff: Is anyone doing it?

[34:36] Cristene: In Georgia, Wholesome Wave Georgia matches SNAP dollar for dollar. At some stores, the cashier just takes 50% off the produce.

[34:44] Jeff: And this fall, the chefs at Southern Chefs Potluck raised nearly 400 grand for it.

[34:51] Cristene: Amen. And Southern chef Art Smith built a charity called Common Threads that teaches families to cook healthy food on a budget.

[35:01] Jeff: Okay, Cristene, picture Dollar General standing next to that.

[35:06] Cristene: I would love to. Not a gimmick. It's a bonus for the good choice, paid for by people who want it to work. And I'm just going to go there. Lentils.

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[35:17] Jeff: Cheap, filling, sits on a shelf for a year. And a lot of people think they taste like lentils.

[35:23] Cristene: Including my sister, until she actually tried them last week and pronounced them not half bad. Actually, pretty good. So here's our challenge. I wanted to go here: 15 things you can do with lentils that don't taste like lentils.

[35:36] Jeff: Okay, go.

[35:38] Cristene: One, taco filling: half lentils, half beef, same seasoning.

[35:42] Jeff: Two, sloppy joes.

[35:44] Cristene: Three, meatballs. Swap in a third.

[35:47] Host: Four, spaghetti sauce. Red lentils melt right in. Five, chili. Six, shepherd's pie.

[35:55] Cristene: Seven, soup with smoked sausage. Eight, dal over rice. Nine, burgers with oats and an egg. Okay, it's a stretch. Ten, enchilada filling. Woohoo! Eleven, fried rice.

[36:10] Host: Twelve, stuffed peppers. Thirteen, meatloaf, half lentils. Fourteen, stirred into mac and cheese sauce. Fifteen, brownies.

[36:19] Cristene: Red lentils, pureed. Ask me after you've tried them. I have a recipe.

[36:25] Jeff: Okay. Tell me that's not a recipe card at the register, Cristene.

[36:30] Cristene: No, and that one's only for the advanced. But I can put pureed pumpkin or yogurt into brownies all day, every day, and no one knows the difference. That's the idea. 15 recipe cards using things that are already on the shelf. Help that looks like cooking and is easy to do. So that's the other half. Not a fantasy: choices. We wanted to come to the second half and ask, how do we help a retailer make better choices?

[36:58] Jeff: Pay people, teach people, help without a label.

[37:03] Cristene: And that's the research behind a lot of what Dr. Ton of MIT says.

[37:08] Jeff: And who is Zeynep Ton?

[37:11] Cristene: A professor at MIT's Sloan School of Management. She co-founded a nonprofit called the Good Jobs Institute.

[37:17] Host: And she wrote the books.

[37:20] Jeff: *The Good Jobs Strategy* in 2014 and *The Case for Good Jobs* in 2023.

[37:25] Cristene: And she went looking for retailers that pay well and still win. She studied Costco, Trader Joe's, QuikTrip, that Midwestern bastion of convenience, and Mercadona, the largest supermarket chain in Spain.

[37:42] Jeff: Her big claim is that bad jobs are a choice, not a necessity.

[37:47] Host: Not a law of nature, which is where we started.

[37:50] Jeff: She says it isn't only paying people more. It's four choices about how you run the store.

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[37:57] Cristene: Okay, and if you're ready. One: focus and simplify. Fewer things to sell, fewer new tasks dropped on the store from headquarters.

[38:05] Jeff: Eleven thousand items and about nine people. That's the opposite, Cristene.

[38:10] Cristene: It sure is. Two: standardize and empower. Headquarters doesn't do all the thinking while the store follows orders.

[38:17] Jeff: Three: cross-train. People who can work the register and the shelves.

[38:22] Cristene: Four: operate with slack. Enough people that a busy hour doesn't break the store or the people.

[38:29] Jeff: Remember the list of 16 jobs? That's a store with no slack.

[38:34] Cristene: You got it. And she describes the cycle: more hours and better people, better stores and higher sales and profit, which pays for more hours and better people.

[38:45] Jeff: Part one was that cycle running the other way. That part is our read, not hers.

[38:51] Cristene: We never put words in her mouth, but the choices are hers. And so is the proof that they work.

[38:57] Jeff: A bunch of what we covered in the back half of this is also what we've seen work elsewhere, because the point was never Dollar General. The point is the customer and the people serving the customer.

[39:10] Host: Because that's what this is all about.

[39:14] Cristene: I'm Cristene.

[39:15] Jeff: And I'm Jeff.

[39:17] Cristene: And this is Retail Done Right. Jeff, let's go shopping.

[39:23] Jeff: I'm there.

[39:23] Cristene: I need to go get something for Bella Sophia, and I can talk to you about our upcoming episode on pets.

[39:29] Jeff: That was the best worst plug for our upcoming episode that we could muster.

[39:35] Host: Oh, shush yourself.

RESEARCH, REFERENCES & SOURCES

- (NBC Washington): FTC plus 20 states, Middle District of Tennessee, reported Oct 27 2026.
- Lumina: 71% Hispanic or Latino, 80% White, 88% Black
- CSPI, 2023
- ERS, 2000 to 2019, with NDSU and UConn
- WBNG

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- AG release, Oct 15 2026
- Dollar General has 20,388 US stores in 48 states. Dollar Tree has 9,173 and Family Dollar 7,118. (ScrapeHero, 2026)
- About 20,000 dollar stores in 2011 grew to roughly 38,435 by 2024. (Ball State Daily News, citing ILSR and Statista)
- Family Dollar was sold in July 2025 for about $1 billion. (Wikipedia) Buyers were Brigade Capital Management and Macellum Capital Management, a loss of more than $7.5 billion on Dollar Tree's purchase. (MMCG Invest)
- The core Dollar General customer earns under $40,000 a year and visits several times a week. (More Perfect Union)
- CEO Todd Vasos, 2018: "The economy is continuing to create more of our core customer." Verify against the original before airing.
- Related: TheStreet on Dollar General's warning about its core customers
- The trade-down: Dollar Tree is now drawing six-figure-income households. (MMCG Invest) Your cold open voice is who the segment now grows on.
- Related: eMarketer on Dollar General's high-income shoppers
- $12 million OSHA settlement in July 2024 over blocked exits, electrical panels and fire extinguishers, and unsafe storage. More than $21 million in OSHA fines since 2017. (CNBC)
- Placed in OSHA's severe violator enforcement program in 2022. (HR Dive)
- Pennsylvania's attorney general secured $1.55 million in December 2025 over checkout prices above shelf prices. (PA Office of Attorney General)
- The probe covered 900+ Pennsylvania stores, which failed more than 40% of price accuracy inspections from 2019 to 2023. (WPXI)
- A Guardian investigation found 4,300+ failed government price inspections in 23 states since January 2022. (Guardian, via Yahoo)
- National class action: $15 million, of which $8.5 million is cash. Claimants need proof of a complaint filed at the time. (ClassAction.org) Maximum $20 per household. (ClaimDepot) The people least able to file a complaint are the least able to be repaid.
- Colorado settled separately for $400,000 in October 2025. (Colorado AG)
- ILSR argues dollar stores cause economic distress rather than only following it. (ILSR, January 2026)
- A USDA study found independent grocers more likely to close when a dollar store opens in a rural area. (Daily Yonder)

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