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RETAIL TRENDS TAKE HOLD

A look at what will be buzzing
in delis come 2018

BY KEITH LORIA



A savvy retailer understands that, in order to continue being successful, one needs to change with the times and be up on the latest trends occurring in the industry. That's why it's vital that delis pay attention to what's popular and evolve along with these trends.

With the calendar set to turn to 2018,

here are some of the hottest trends people in the industry expect to be popular in the year ahead.

Becoming A Destination

Supermarket delis as a destination is a trend that will continue into 2018 and beyond, according to many following the industry.

"Delis are doing more to make the

deli a destination — both within the store and as a draw for the supermarket itself," says Shayna Snyder, account director at Olson Communications, headquartered in Chicago. "We know consumers' impression of the deli is important to the store's perception from our recent Deli Destinations survey, where 45 percent of respondents said they decide which supermarket they

shop at based on the quality of the deli; furthermore, 67 percent believed if the food in the supermarket deli is fresh, then everything in the store is better.”

Delis become a destination when they create unique experiences, such as a food marketplace atmosphere. Food halls and farmers markets are trending, and studies show consumers like to shop in food market environments.

For example, Lowe's Foods in North Carolina has redesigned all sections in the perimeter of the store to have their own identity within a marketplace-style environment. The deli features their proprietary SausageWorks shop, with house-made sausages, branded jarred condiments like peach chipotle sauce, cooked Vidalia onions and a Southern chow chow relish, along with grilled made-to-order specials.

Deli departments are moving toward customization more than ever before. Made-to-order grill stations using proteins and produce from other store departments are one way deli departments have responded to the trend.

“Traditionally, there have been prepared options for consumers available hot and ready to eat or in disposable packaging to heat at home; the customization trend now goes much further toward keeping consumers in the store with in-store seating areas and separate check-out for the deli section,” says Snyder. “Some units have expanded to include kiosks or restaurant-style concepts within or near the supermarket’s deli department — everything from sushi, ramen and oyster bars to made-to-order sandwiches with fresh side dishes from the deli.”

She adds that these are typically national trends, with some variation on menu items providing regional flair. For example, Pete’s Market in Chicago has locations with various restaurant-style concepts, including coffee, fresh-squeezed juice and gelato concepts and with different menu items ranging from smoked brisket and pizza to made-to-order tacos and sushi.

“Neighborhood demographics are an indicator of what you’ll find in the store — more variety of fresh-made salsas and guacamoles, plus ceviche bars in Latin neighborhoods, while other neighborhoods might have a more expansive barbecue program,” says Snyder.

Oscar Villarreal, vice president of



marketing for BelGioioso Cheese Inc., Green Bay, WI, says he is seeing trends in freshness and convenience, clean ingredient labels, and flavored cheeses.

On-The-Go Snacking

However, it’s on-the-go snacking that seems to be everywhere at the moment. He says the snacking trend is national, and convenient options for snacking are widespread and very popular with all demographics.

“Smaller portion sizes packaged for convenience is the trend that has taken over almost the entire supermarket, including the deli,” he says. “The trend has been around for decades with individual sizes of chips, crackers or cookies, and also in the produce and dairy aisles. It has recently surfaced in the specialty cheese case, as consumers are looking for higher quality, natural snacks.”

The company offers a 1-ounce individual portion fresh Mozzarella snack and has since expanded its line with Fontina, Parmesan and Provolone and Salame rolls.

“Consumers are especially interested in more flavorful, specialty cheeses and learning about their craftsmanship, ingredients and history,” he says. “Trends do change, but with the increase in single households and families constantly on the go, we believe smaller, convenient portions that deliver on flavor and nutrition are here to stay.”

Smartly, retailers are creating specific spaces in their specialty cheese cases for snacking and smaller cuts and wedges. BelGioioso Cheese does its part by pro-

viding display cases for retailers to use within their specialty cheese case to better highlight its smaller 4-ounce cuts.

Meal Kits

Another trend worth watching is the rise of meal kits and deli prepared foods, which are ripe for rebranding or repackaging as ready-to-eat meal kits.

A recent Harris Poll revealed 25 percent of adults purchased a meal kit last year and 70 percent of meal kit purchasers have continued to buy them, so it only makes sense retailers would want to get in on the action.

Snyder notes retailers can take advantage of this trend by creating easy meal kits in different sizes geared for singles to families with kids.

“[With displays], for the marketplace approach, adding simple touches like ‘clip your own’ herbs can create a more local feel,” she says. “If a large-scale redesign isn’t practical, displays using baskets, rustic wooden cutting boards and other farmhouse design elements can start to foster the trend.”

Stories Behind the Product

Mindfulness is a trend that could branch out into multiple facets of the deli experience; for instance, this may include using responsibly-sourced ingredients and eco-friendly packaging.

“Another manifestation of mindfulness could be focused on telling the story behind the product — providing consumers with more information to make a connection to the products they’re buying, such as placards or dis-

plays showcasing a description of the supplier, how to use the product, and what makes this product special,” says Olson Communications’ Snyder.

According to a recent Culinary Visions Panel study, 63 percent of consumers surveyed “love talking to vendors who are passionate about the food they sell.”

“Taking this a step further, stores with a marketplace concept could invite vendors into the store and start to create a culture of connecting with con-

sumers,” she says. “Nurturing a feeling of hospitality and belonging within the community will extend to the supermarket and help strengthen the reputation of the business.”

The consumer mindfulness trend seems poised to stay, as consumers are motivated to find ways to improve their quality of life, and their decisions in the deli reflect that overarching goal; mindfulness comes into play when consumers increasingly want to know where their food comes from and how it was raised

and harvested when deciding whether to include meat in their diet and also when choosing to patronize supermarkets that treat employees well.

Hot Bars

Hectic schedules and increased commitments for work, school and family have made it challenging for consumers to find the time to make a proper hot meal. Food marketing expert Phil Lempert, recently reported that prepared hot meals have grown into a \$25 billion-a-year industry. That’s why hot bars have been popping up in delis much more than usual, with added offerings to the usual soups and buffet food.

Bob Sewall, executive vice president of sales and marketing for Blount Fine Foods, Fall River, MA, says there’s a big emphasis on expanding the hot bar in the deli section of a supermarket.

“That could be prepared foods, soups, deli meats, side dishes, mac and cheese; the trend here is all about clean label food and healthier options,” he says. “It can be decadent, it can be indulgent, but it has to have minimal ingredients and a clean label. People are more educated about this now — especially the Millennial consumer.”

Responding to the trend, Blount Fine Foods continues to use fresh ingredients, including real dairy, fresh vegetables and antibiotic chicken in its soups.

“We’ve never known any other way. We’ve always been cooking this way and woke up and found out we were on trend,” says Sewall.

The challenge with adding a hot bar to a retail store is it requires equipment, labor and space that some stores may just not have. Sewall notes that savvy retailers are finding ways to make it a reality and then highlighting and marketing the hot bars to bring new customers into the stores.

“They have to let the customers know what they are serving. In a hot bar, it’s all very confined, and you have this beautiful layout of all this food out there. There’s really a minimal area to put signage and calorie counts, and that can be hard,” he says. “As a food provider in a supermarket chain, we need to figure out a better way to get this information across, whether it’s done by phone or signage. We make a concerted effort of providing materials to our retailers to call attention to our food.”

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