

FEATURE

# DESTINATION DELI

## Cutting-edge offerings satisfy modern consumers

BY SHARON OLSON

**W**e have heard and read much about restaurants within grocery stores in recent years, yet the deli has long been a destination for consumers interested in fresh ingredients and prepared foods. This department has a unique ability to satisfy the modern consumer's seemingly insatiable desire for food experiences. Whether it is offering new contemporary meals or time-honored traditional ones, today's deli can have the power to make your store a destination.

This year's study explored unique aspects of the consumer's food experiences that provide business opportunities for delis. Culinary Visions Panel surveyed more than 1,000 consumers throughout the United States to identify aspects of shopping at the deli that make it unique, craveable and worth the trip.

The deli can be important to the perceptions consumers have about the entire store. Forty-five percent of consumers surveyed said they decide which supermarket they shop at based on the quality of the deli; furthermore, 67 percent believed if the food in the deli is fresh, then everything in the store is better. Seasonal offerings are an important cue to freshness, as 50 percent of the consumers surveyed would order more from the deli if additional seasonal choices were available.

### The Power Of Fresh

Wide arrays of food and salad bars have become a regular feature of many delis today. Restaurant concepts like 3 Greens Market or Bea's Market in Chicago are capitalizing on this popular trend by creating foodservice concepts that feature self-service food bars. These offer

consumers the trifecta of value: freshness, customization and variety. Food bars can be a double-edged sword, as half of the consumers surveyed love them because there are so many fresh ingredients available; yet, 62 percent will not return to a deli if the salad bar is often messy.

### Customer Connection

The deli has a unique opportunity to create personal connections with employees and customers; in fact, 51 percent of the consumers surveyed said they trust their local deli because they are familiar with the employees behind the counter. Trust is one of the most important and elusive aspects of marketing today, and it is an attribute well worth cultivating.

Even though technology is facilitating more and more transactions, personal interactions can make a big difference in customer satisfaction. Sixty-one percent of consumers said they love their local deli because the employees are friendly. Notably, 43 percent said they will usually skip making a purchase in the deli if employees look bored.

## THE STATS

- 1,039 consumers were surveyed around the United States in regards to their food experiences when visiting their local deli.
- Of these consumers surveyed, 32% lived in a 1 or 2 person household, 52% lived in a 3 or 4 person household and the rest lived in a 5+ person household. Furthermore, 37% had no children, 19% had 1 child and the remaining had 2 or more children.
- 82% of the consumers surveyed were between 18 and 54 years old. The remaining number of consumers were 55+ years old.
- The ratio of female to male consumers surveyed was 55:45 respectively.
- Consumers were surveyed in the United States regarding their expectations, attitudes and behaviors at their local deli and various food markets.

### COLOR KEY

- STRONGLY AGREE
- AGREE
- NEITHER AGREE OR DISAGREE
- DISAGREE
- STRONGLY DISAGREE

Source: Culinary Visions Panel Deli-Destinations 2017

The deli is a place where employee knowledge and competence really matter. Competence goes beyond taking an order and filling it correctly, as 42 percent of the consumers surveyed said they love their local deli because the employees anticipate what they are going to order.

Seventy-four percent of consumers said it is important that the employee behind the deli counter can answer their questions about the food they are interested in purchasing. Among other consumer interests, 63 percent said nutritional information about prepared foods is important. Learning about new foods and preparation methods has become a great American pastime, as 67 percent of consumers surveyed said they love learning about new foods by shopping around markets.

### Slow Food Or The Fast Lane

There is no question that consumers lead fast-paced, over-scheduled lifestyles that demand convenience. More than half (57 percent) said that convenience is more important than anything when getting a meal or snack from the deli. However, there are some things that are worth the wait, especially in the deli where 63 percent of consumers were willing to wait for service to get exactly what they want.

Technology can add efficiency for customers in a hurry who order online or via a phone app so they are able to grab and go when they get to the store. This is the kind of competitive edge that levels the playing field with quick-service restaurants and

makes the deli a desirable destination for consumers who are on-the-go.

More than half of customers prefer quick and convenient options, while others prefer to savor the experience by taking advantage of in-store dining. Some stores make a serious commitment to in-store dining by offering multiple dining concepts and locations throughout a given venue (each offering a different type of experience). In-store seating areas may be more family-friendly, while others are more focused on lunch customers dropping in

artisanal food products sold in their local supermarket deli.

International foods can make a deli a destination for many consumers, which is why understanding the local community's tastes is important. Fifty-four percent of consumers like to shop for authentic international foods at the deli.

Savvy sampling encourages customers to try new items. Fifty-six percent of consumers say sampling is important to them at the deli, and 71 percent say they are more likely to purchase something that

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during the workday. Designated adult-only areas appeal to those who want to enjoy a wine or craft beer pairing with a snack to make any evening feel special.

### Surprise and Delight

In general, consumers have expectations that supermarket delis only offer traditional foods. In fact, 52 percent said they would be surprised if the deli in a supermarket had more than traditional American foods. Yet, almost half (49 percent) said they would order more from the deli if more exotic choices were available; additionally, 58 percent said they wish there were more

they may not have considered if a sample is offered.

### Take A Cue From Restaurants

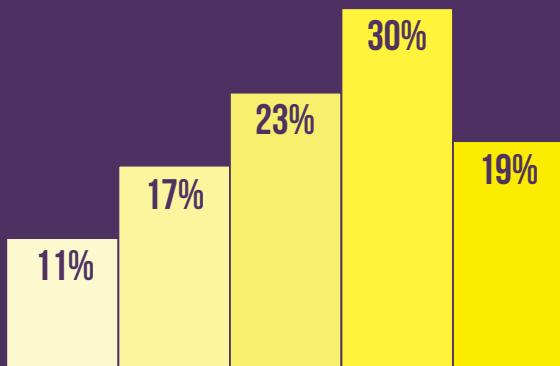
When it comes to food quality, 'restaurant quality' is considered the standard. Seventy-two percent of consumers said they like a deli where the prepared foods are comparable in quality to their favorite restaurant. Forty-four percent said their local deli could become their go-to eatery if the deli had a chef creating the menu.

Restaurants have been the traditional choice when dining away from home, yet, even that may be changing, as consumers

## EXOTIC OPTIONS

49% of the consumers surveyed would order more from the deli if more exotic choices were available.

I would order more from the deli if more exotic choices were available

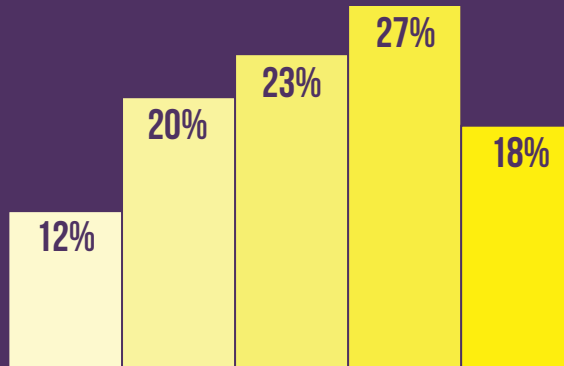


Q: When you chose to dine at home or in a restaurant, how much do you agree or disagree with the following statements?

## DELI DRIVE SUPERMARKET SATISFACTION

45% of the consumers surveyed decide which supermarket they shop at based on the quality of the deli.

I decide which supermarket I shop at based on the quality of the deli



Q: When you chose to dine at home or in a restaurant, how much do you agree or disagree with the following statements?

scrutinize the wide array of choices they have for dining on-the-go. Sixty percent of consumers surveyed considered the deli a good option for prepared meals that they could bring to work. With the sandwich as a lunch time staple, it is no surprise that 66 percent of consumers surveyed considered the deli a good option for ingredients to make lunch for work.

Fast casual restaurants have been aggressive at creating desirable and convenient catering options for consumers. Fifty-one percent of consumers said the deli was a great choice for simple catered trays, but nothing more. The opportunity is certainly available for delis to add imagination and appeal to simple catered trays with the wide range of available bread and condiment options alone.

More and more table service restaurants are offering a quick-service window or adjacent space for customers who crave a restaurant-quality meal on-the-go. Separate checkout lanes are a must for supermarket delis offering foodservice, but there may be other imaginative options to get customers thinking about the deli instead of a local restaurant.

Some supermarkets are taking their offerings on the road with food trucks or special pop-up venues to help build their brand and expand awareness of their offerings to a larger community of customers.

### Celebration Destination

The deli is earning its place as a destination for family parties. Forty-four percent

of consumers surveyed said they prefer to order catering from the deli when organizing family gatherings or celebrations.

Although restaurants remain a primary destination for celebrations, 54 percent of consumers would like their deli to offer catered meals as good as their favorite restaurant. The presence of a chef in the deli was another plus, as 46 percent said their deli would be their go-to catering source if a chef was creating the meals.

Consumers are constantly on the lookout for new affordable event venues, and some are even turning to teaching kitchens or organized events at their local supermarket deli to change things up. These experiences can make private parties feel more festive and hassle free, citing these as more imaginative and interactive than the typical restaurant experience.

### Variety & Freshness Prevail

Consumers who go out of their way to patronize a particular supermarket deli mention variety and freshness characteristics more than any other attributes. Food is unlike many other retail categories, where merchants provide a limited assortment of goods in brick and mortar stores and a significantly wider variety online. Food is a personal business and customers like to see lots of choices when they are at the deli. Seventy-seven percent of consumers said they loved delis that have an abundance of options available.

Differentiated offerings are also important to success. When there are too many

types of the same foods available, 49 percent of consumers said they just order whatever is on sale. The majority of consumers (54 percent) agree most of the delis in their area offer similar foods, so it does not matter where they shop. A deli becomes a destination when the product mix is successfully curated.

Markets and food halls are the latest food scenes to draw consumer attention, and there are many aspects of these experiences that can be successfully created in the deli to make it a food destination. The energy of a marketplace draws in customers, as 67 percent love the collaborative energy they find at a food market. Sixty percent like to roam around with a beverage and absorb the whole environment of the market. Shopping and socializing entice consumers to market experiences, with 63 percent of consumers saying they love talking to vendors who are passionate about the food they sell.

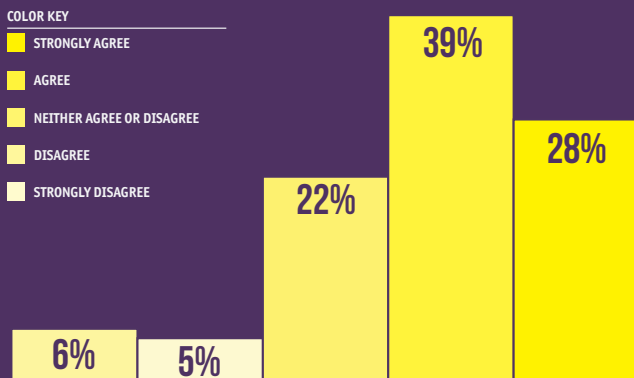
The deli is in a unique position to become the destination consumers crave for food and experiences. The secret to success is creating the right combination of comfort and culinary adventure. **DB**

*Sharon Olson is the executive director of Culinary Visions Panel, a division of Olson Communications based in Chicago. Culinary Visions Panel is a food focused insight and trend forecasting firm that provides original consumer and culinary professional research for companies in the food industry.*

## FRESH IMPRESSIONS

67% of the consumers surveyed believe that everything in the store is better if the food in the deli is fresh

If the food in the deli is fresh, it makes me feel that everything in the store is better

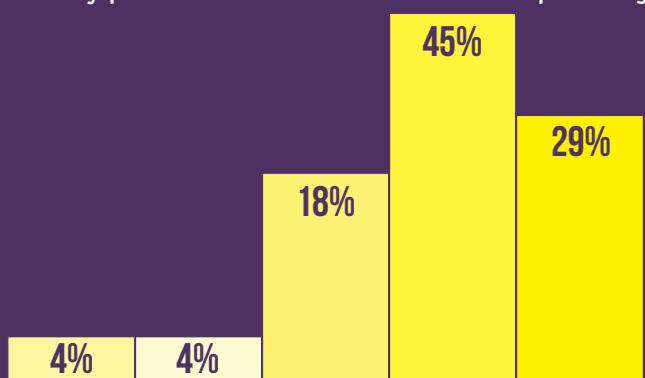


Q: When you chose to dine at home or in a restaurant, how much do you agree or disagree with the following statements?

## EMPLOYEE KNOWLEDGE IS MEANINGFUL

74% of the consumers surveyed believe it is important that the employee behind the deli counter can answer their questions about the food they are purchasing.

It is important that the employee behind the deli counter can answer my questions about the food I am interested in purchasing



Q: When you chose to dine at home or in a restaurant, how much do you agree or disagree with the following statements?