

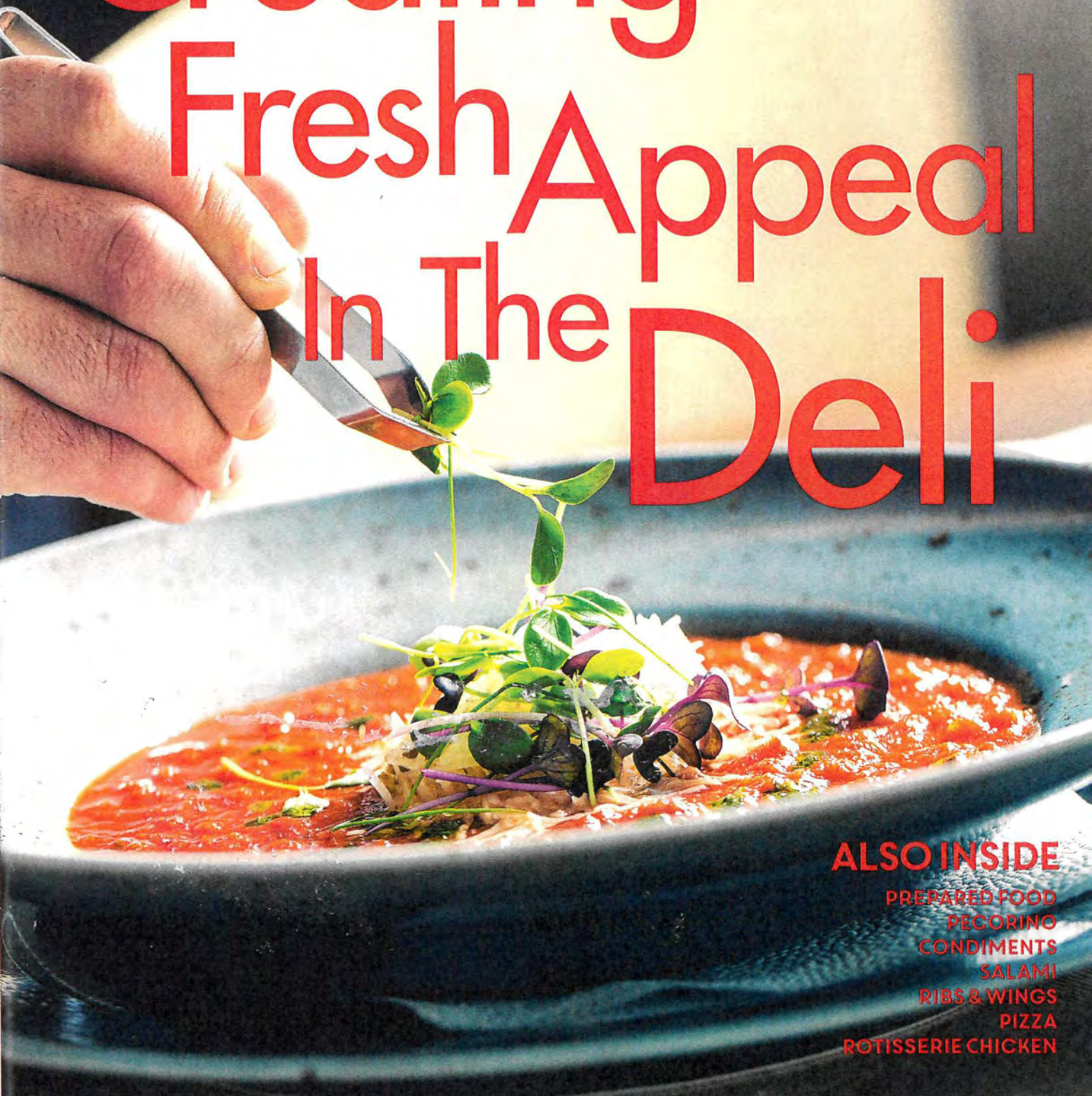
**DELI**

**BUSINESS**

MARKETING MERCHANDISING MANAGEMENT PROCUREMENT

FEB/MAR 2019 \$14.95

# Creating Fresh Appeal In The Deli



## ALSO INSIDE

PREPARED FOOD

PECORINO

CONDIMENTS

SALAMI

RIBS & WINGS

PIZZA

ROTISSERIE CHICKEN



# Creating Fresh Appeal In The Deli

**New consumer research delves into generational perspectives on fresh**

BY SHARON OLSON

**T**oday's consumers consider "fresh" an essential characteristic of quality and value when they discuss the food choices they make at home and away from home. A new study from Culinary Visions explored this topic with 1,500 consumers across the country. The perimeters of the supermarket have long been the areas that create fresh perceptions of the store, yet different generations of consumers have unique perspectives on fresh.

Consumers 18 to 24 have comfortably settled into their role as trendsetters, and they are now in the work force and raising their own families. As the leading edge of Gen Z consumers are graduating from college, they are taking the expectations of Millennials up another notch and setting their own standards. And a vast wave of Baby Boomers are having the time of their lives in what might have been quiet retirement years for previous generations their age.

One size rarely fits all, and that is especially true when it comes to describing huge demographic groups—Gen Z includes children and young adults, the huge Millennial generation has long been dissected by life-

style and income, Gen X has come to be a transitional generation with attributes of the generations surrounding it. Baby Boomers are as likely to be living young as they are to be considering retirement options. Successful deli operations often have to appeal to all of these generations. The good news from this study is that generational perspectives on fresh are very much in agreement on many key factors.

The definition of fresh is becoming as elusive as the definition of healthy, yet 84 percent of the consumers surveyed said that their supermarket had great fresh food.

## Defining Fresh

Some of the top scoring characteristics in defining fresh were not related to the food offerings at all, but to the perceptions of the deli department. Four attributes tied for the most important factors in defining fresh food at 93 percent included a clean floor around the service area; clean display areas; the staff clearly follows sanitation guidelines; and labeled expiration date. A clean bathroom was ranked as an important factor by 91 percent of those surveyed.

The findings suggest that cleanliness can be a powerful selling tool in an environment



like the deli, where the freshness of the food is expected.

Consumers of all ages agree that locally-sourced food items are the freshest—84 percent of those surveyed agreed with this statement. With the growth of the farm to table movement in restaurants identifying local sources by grower, location and the stories of the farmers and providers, today's consumers are coming to expect more of a connection.

When considering factors that make food fresh, only 50 percent identified organic as an important factor. Organic appeals most to shoppers 18 to 34. In fact, 65 percent of this age group, compared to 52 percent of Gen X and 40 percent of Boomers, agree that organic food is the freshest choice.

### Fresh Merchandising

Delis have set the standard for fresh food merchandising, and consumers notice. They notice the clean, beautiful cases and pay attention to the variety and quantity of product displayed for freshness cues. Ninety-four percent of consumers noted a clean display case is an important freshness cue, and 76 percent reported that a

fully-stocked display case is important to determining freshness.

Packaging and labeling are also important to the merchandising experience. Consumers like transparency of information as well as transparent packaging. Eighty-eight percent said a label stating when the food was prepared is important, and 85 percent noted transparent packaging as an important characteristic. Clearly displayed nutritional information is also important to 78 percent of those surveyed, and this is something that is not always readily available on items prepared in the supermarket deli.

Clutter is the enemy of fresh perceptions. Ninety percent of consumers said a clear, uncluttered shopping, dining and ordering space was important to their perception of the freshness of the offerings.

### Fresh Foodservice Experiences

Display kitchens in restaurants, action stations in on-site foodservice operations and customized assembly in quick service restaurants are all meant to bring the



kitchen up front and center stage for customers' viewing pleasure.

Connecting customers with the employees preparing their food in the deli builds the confidence and rapport that is important to customers—79 percent of the consumers surveyed said that they prefer food they can see being prepared.

Traditional salad bars have become extravagant fresh food marketplaces in supermarkets and fast casual restaurants. Salad bars are popular, with 86 percent of consumers surveyed reporting that they enjoy getting food from them. When it comes to the fresh perception of salad bars, supermarkets have the edge. Seventy-five percent of consumers indicated they were likely to purchase a salad from a supermarket salad bar, more than both fast food salads (55 percent) and convenience store salads (32 percent). Even when consumers enjoy prepared meals, 82 percent report that they prefer to add fresh ingredients.

Salad bars can help consumers bring restaurant quality to their home cooked meals, as well. The food dollar is split almost evenly between spending at home and away from home; yet according to this survey 81 percent of consumers prefer self-prepared meals. It is easy and economical to buy just enough roasted red peppers, sautéed mushrooms or pickled vegetables from the salad bar to add speed scratch convenience to home cooking.

The fresh perception that supermarkets enjoy can also transfer to in-store restaurants, which capture sales on-site and to-go. In-store restaurants feed the consumer's desire for freshness and convenience in one quick stop, and 18- to 34-year-olds are the most likely generation to buy food from supermarket restaurants (78 percent) compared to 68 percent of 35 to 54 year olds and 65 percent of shoppers over 55.

In today's fast-paced and time-starved





# Consumers of all ages agree that locally-sourced food items are the freshest.

world, snacks have become the new meal creating demand for a snacking experience that is healthful and delicious. Creating fresh, healthful snacks is an opportunity, with 65 percent of consumers surveyed saying it is hard to find fresh snacks on the go. Sixty-nine percent said they don't mind paying extra for healthy snacks, and almost half (46 percent) reported that they would skip snacking if they can't find an option that is both convenient and fresh.

## Fresh Convenience

When it comes to snacking behavior, there are some significant differences among different age groups. Consumers over 55 years of age are the healthiest snackers, according to the survey. Even when on the go, 62 percent still care about the healthfulness of their snack, while younger consumers are more willing to sacrifice healthfulness when they are in a hurry—more than half of Gen X (53 percent) and Millennials (55 percent) let convenience, rather than healthfulness, drive their food choices when they are in a rush.

Millennials are most willing to pay a premium for conveniently-packaged fresh snacks, with 82 percent saying they are likely to buy fresh, single-serving snacks as opposed to 75 percent of Gen X and 68 percent of seniors.

For meals, customization can trump convenience, with 86 percent of consumers saying they would be willing to wait for a customized sandwich rather than grab one and go. Only 34 percent said they would be willing to sacrifice flavor for convenience. Eighty-two percent said they were likely to order customizable menu items.

Despite the recent boom in delivery services and their corresponding apps, Millennials are the most skeptical of delivered food of all the age groups surveyed. Fewer than half of Millennials surveyed (42 percent) agreed that delivered food is usually fresh, with Gen X consumers in the middle at 49 percent and Boomers shouldering the highest fresh delivery expectations at 63 percent.

## Generational Perspectives

**Gen Z.** Members of Gen Z were born into a digital and social world. This is the generation that grew up with school gardens and very specific preferences for fresh food made to order. They redefined school lunch and assured that vegetable-centricity is part of the mainstream food culture. The

majority are still carnivores, but they like their vegetables.

When they dine out, Wi-Fi is the new playground in quick-service restaurants. Sixty-two percent of high school and college-aged consumers like to share their dining experiences on social media.

Gen Zers are consumers of food media and enjoy shorter-format "Tasty" style videos. They are confident in their culinary abilities, with 56 percent of this group between 15 and 18 saying they try to cook things they have seen in videos on social media platforms. Forty-four percent of this group believes they are the best cook in their house.

**Millennials.** Working and starting families has done little to change this generation's perspective of themselves as trend setters. They have continued to drive fast-casual and chef-driven dining with their dedication to convenience without compromise. They are the biggest believers in the value of organic food.

They have had a significant impact on the convenience store business that has evolved to convenient gourmet retail and coffee cafés from the standard quick trip store of previous decades. They are significantly more likely to enjoy hot food from a convenience store than other generations.

Millennials are adventurous and experimental in their dining habits. They enjoy exotic ingredients and are more likely to try unfamiliar flavors than older generations. They value transparency and authenticity.

**Gen X.** This transitional generation identifies with Millennials or Boomers on most issues related to food. They held the middle opinion on 73 percent of the questions asked in this survey. Although there are few break away issues found with this generation, they are still focused on value. Those raising families are definitely shaping the attitudes and perspectives of their Gen Z children.

As a group, they are not nearly as competitive as their Baby Boomer predecessors, but they are finding their own ways of expressing themselves on social

media. Catering to the needs of their allergy-prone, ingredient-sensitive off-spring, they are becoming advocates for their families' nutrition. An internet search of mom-made school lunches shows off some impressive creativity and nutrition savvy.

**Baby Boomers.** This generation has never relinquished their desire to set the trends, and today they are defining modern retirement by "living young." Whether they are living it up during retirement or evaluating senior living communities, restaurant quality is what defines their dining expectations. Their focus is on healthfulness, and they are willing to sacrifice more than other generations on convenience because Baby Boomers tend to have more time to take care of themselves and push for healthier dining options.

They are veg-forward in their food choices, with 87 percent saying they would like to get more vegetables into their diets, yet 80 percent report that they love meat. They are the most set in their eating habits of the generations, with 76 percent reporting that they are likely to order the same menu items they always order.

When it comes to freshness, all of the generations value locally-sourced foods, trusted brands, salad bars and menu items made with fresh ingredients. The deli is in a unique position to captivate consumers with fresh appeal because it's a part of the store where consumers already have a high expectation of freshness. Being mindful of merchandising cues, product variety and coaching employees on the importance of their knowledge and behavior can all contribute to a best in class reputation. **DB**

---

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