

DELI AND BAKERY BEST PRACTICES

Retailers weigh in on what works in these crucial store departments

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Amid an uncertain economy, the deli and bakery departments offer important selling opportunities for food retailers. 210 Analytics and Circana recently reported that prepared foods and meals delivered dollar and unit gains, and that while deli meat volume was down year over year, grab-and-go packs were an exception, showing considerable growth.

“This has been an ongoing trend, as consumers like the convenience and retailers are increasingly closing their full-service counters or reducing the hours of operation,” noted Anne-Marie Roerink, president of San Antonio, Texas-based 210 Analytics LLC, in her March 2026 report on the meat and deli categories.

In the perimeter bakery, dollar sales were better than in the commercial bakery aisle, but the gains came from inflation, according to Roerink, who also pointed out in March that “performances at the category level varied widely. Cakes performed well, as did brownies and bars. Fresh tortillas were another area of growth, albeit small.”

Meanwhile, morning bakery; bread, buns and rolls; and desserts and sweet goods were either down or flat.

Still, a superior fresh offering is an undeniable lure for customers, and smart retailers are leaning into that by giving shoppers exactly what they want.

“Retailers who tailor their product mix and merchandising strategy to specific customer groups are set up for success,” observes Sharon Olson, executive director at Culinary Visions, a Chicago-based culinary marketing practice. **“For example, best basics and value prices have as much allure as hard-**

to-find luxury ingredients and pricey prepared foods when they reach the right shoppers. Deep discounts can work to drive volume but can also negatively impact long-term value perception. The important thing is that retailers stay true to their brand promise and customers know what to expect and are not disappointed.”

Deli Differentiators

The in-store deli is a prime spot for differentiation, as Busch’s Fresh Food Market knows well.

“Our deli departments are proud to feature knowledgeable cheese mongers offering over 100 freshly hand-cut cheeses,” says Joanne Zlotorzynski, director of food service at the Ann Arbor, Mich.-based independent, which operates 16 stores across southeast Michigan. “Our expansive cheese counters showcase a wide variety of both imported and locally sourced selections, complete with special features and wine-pairing suggestions to elevate any occasion. We’ve also introduced Monger Bites — perfectly portioned pieces designed for guests to explore and discover new cheeses with ease.”



Coborn’s in-store-bakeries feature clearly segmented displays.

Alongside the gourmet experience, Busch's shoppers can get something fast. "For guests on the go, our deli grab-and-go and full-service Chef's Cases offer convenient meal solutions, including both hot and ready-to-heat options," Zlotorzynski adds. "These chef-inspired recipes are made with quality ingredients and crafted for everyday convenience without compromising flavor."

Busch's Fresh Food Market's delis enable customers to build complete meals.



Busch's delis also offer "a wide assortment of sides and entrées, making it easy to build a complete meal," she says.

"In deli, the biggest opportunities are around meal solutions, high-protein snacking, and a balance of specialty and comfort-driven foods," observes Josh Croson, director of deli at St. Cloud, Minn.-based Coborn's, which has more than 70 grocery stores in the Midwest. "We're making it easier for shoppers to find protein-forward snacks, simple meals and globally inspired options by merchandising deli as a destination for both convenience and value."

This includes expanding assortments of protein-focused snackers, single-serve meals and family-sized offerings, all merchandised together to help customers quickly build complete meals rather than having to shop for individual components.

Further, deli departments prioritizing clarity and solution-based shopping are the most effective in driving both traffic and sales, according to Croson.

"Layouts that lead with meal solutions are proving most effective, because they immediately communicate convenience, value and freshness," he says. "Grouping complementary items together helps position deli as a complete meal destination and increases basket size."

Coborn's has seen the results of this approach for itself. "Our focus on fresh, high-quality meal solutions is driving growth across key deli segments, including sandwiches, snacking, salads and prepared meals," Croson asserts.

Going forward, he sees even more ways to engage with deli shoppers. "As customers become more mindful of wellness, there's an opportunity to deliver products with meaningful benefits — like protein and cleaner ingredients — without sacrificing flavor."

At Santa Rosa, Calif.-based Oliver's Market, the prepared food program is a particular standout. "For the deli channel, we continue to see great success with our Oliver's Kitchen (HMR) dinner program," says James Schwedhelm, deli coordinator at the grocer, which operates four stores in Sonoma County. "Restaurant pricing is high, and we feel that we offer a restaurant-quality product with a grocery store price point. We take great pride in our clean labels. We think it's important that our customers can read and spell every ingredient we include in our product."



Coborn's fresh, high-quality meal solutions are driving growth across key deli segments, including sandwiches, snacking, salads and prepared meals.

The popularity of this program has led the grocer to add a line of low-carb meals, which has also seen success, promoted through clear signage and labeling as well as placement in Oliver's weekly ads.

As for layout, Schwedhelm explains: "Our stores operate with an open floor plan with lots of signage. We focus on our branded items with displays in key locations within the department. Having all aspects of the deli visible — deli counter, grab-and-go wall, hot bar, salad bar, taquería — is also essential for success."

This strategy has led to “continued growth in each category, in particular our house-made items,” he notes.

Asked to predict what’s next for deli at Oliver’s, Schwedhelm replies: “Our future looks bright. We’re very fortunate to have a great team of chefs who constantly bring new and exciting recipes to the table. With a commissary expansion coming to our channel this year, we will have the ability to push the envelope even further.”

Better Bakery Business

At Busch’s, bakery is defined by three key trends: artisan-crafted/local products, premiumization, and comfort and community

“Our scratch artisan bread program, specifically sourdough, continues to dominate the bread category,” affirms Fauna Hartley, Busch’s bakery category manager. “Guests are looking for the product integrity and authenticity that comes with the human touch. Supporting our local partners is important to us and to our guests. ‘Growing Home’ is our motto. As a buyer, I seek to make connections with local producers and be the incubator for their vision.”

Regarding upscale offerings, Hartley advises “focusing on single-serve, premium treats with clean, quality ingredients and inspiring presentation. Guests are finding value in quality and experience, choosing ‘the best’ when they indulge.” She adds that many happy customers share their special finds on social media.

Beyond those two considerations, however, she emphasizes: “Food is a uniter. We come together around the dinner table; we break bread. Connecting with the communities we serve is important to us at Busch’s. We have multiple community sales events throughout the year that afford us the opportunity to engage with our guests by hand-selling product and making a genuine, face-to-face connection.”



Oliver’s Market is proud of its clean-label deli offerings.

At Coborn’s, bakery-purchasing behaviors are shifting toward smaller formats and more personalized options.

“Customers are moving away from larger, traditional cakes and toward smaller, flavored cakes and single-serve desserts,” observes Bob Sabo, the grocer’s director of bakery. “At the same time, doughnuts and limited-time offerings continue to perform well as customers look for accessible indulgences.”

Innovation in Coborn’s bakery departments is driven through rotating limited-time offerings and continuous assortment refinement.

“We’re constantly evaluating what’s next — bringing in new items quickly and adjusting our assortment to reflect changing customer preferences,” Sabo says, noting that, in common with Busch’s, this strategy includes intentionally creating space for local vendors within the bakery assortment. This prioritization has led to “strong engagement and a clear point of differentiation with our guests,” he adds.

In fact, Sabo notes “growing interest in locally sourced and differentiated products across [deli and bakery] as customers look for items that feel more unique and connected to their communities.” According to Coborn’s, in stores where local assortments have been expanded, the food retailer is seeing higher engagement and stronger overall category performance, reinforcing the value of localized merchandising strategies.

At Oliver’s, clean labels are a top consideration. Bakery Department Coordinator Marghi Sulas points out that “the house-made Oliver’s Own items have been very successful. The simple and clean ingredients with competitive pricing is a solid combination for our customers.”



Oliver’s Market touts its Oliver’s Own baked goods, which offer customers simple ingredients and competitive pricing.

Simplicity is likewise key in bakery department layouts, according to Sabo. “We focus on clearly segmented displays and strong seasonal callouts to make it easy for customers to find what they’re looking for while also encouraging impulse purchases,” he says.

Customer demand for fresh and differentiated bakery offerings continues to drive momentum at Coborn’s, which is “seeing growth in in-store baked goods and specialty items,” Sabo observes. “While larger cakes are declining in dollar sales, unit volume remains steady as customers shift toward smaller formats.”

He believes that the focus in bakery will remain on balancing indulgence with evolving customer preferences.

“Customers are looking for options that allow them to enjoy indulgent items while still aligning with their preferences, whether that’s portion size or ingredient considerations,” Sabo says.

In promoting its deli and bakery departments, Coborn’s has taken an omnichannel approach, noting, “Digital and in-store marketing work together to bring these categories to life — from showcasing meal solutions and snack ideas to clearly communicating product benefits like protein content, ingredient simplicity and overall value.”