

FOCUS ON FRESH

Fresh may be the most powerful word in food merchandising today, but how do consumers define it, and how can delis deliver it in a way that is relevant, believable and cost effective? These are the questions this year's consumer survey set out to explore.

In a survey conducted by Olson Communications, a Chicago, IL-based food marketing firm that specializes in trend spotting in the food business, 297 con-

Consumers have definite perceptions on what makes a deli department "fresh" — and they are unwilling to compromise.

By Sharon Olson

sumers were asked questions regarding their attitudes about freshness and how their shopping experiences measured up.

Researchers were then sent to visit stores across the country to spot fresh merchandising tactics that worked and some that missed the mark according to the consumers who were surveyed.

Defining Fresh

Key terms consumers use to define fresh are: healthy, high quality and tastes best. They were given the opportunity to choose their top three words or phrases that best defined

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fresh. Locally produced was the most commonly associated phrase that defined freshness, noted by 77 percent of consumers; 57 percent said organic and 47 percent said sustainable. Sixty-nine percent of consumers noted “made to order” as an important descriptor of fresh.

Trans-fat free did not emerge as an issue related to delis, but it was clearly on the consumers’ radar screen as a danger sign for prepared foods. Nearly 58 percent of consumers said that in relation to delis, they would never compromise on freshness.

Organic Loyalists

There are true believers as well as skeptics when it comes to organic. This year’s study probed into consumer attitudes and beliefs about organic as well as specific product categories where it is most relevant.

“Environmentally friendly” was noted most often by 53 percent of consumers when they were asked to define organic. This was followed by “expensive” and “healthy” with 45 percent of consumers using each of these words to describe organic. Only 25 percent described organic as “high quality” and 7 percent as “sustainable.”

Worth The Price

When asked about product characteristics that would warrant paying a premium price, most shoppers are willing to pay extra for fresh, but 71 percent of them said it would depend upon the product. The organic certification did add tangible value more than any other certification.

The study identified 8 percent of consumers as organic loyalists — absolutely willing to pay more for organic products. Another 49 percent said it would depend on the product. When asked about the value of fresh, far more consumers are willing to pay extra for products they perceive as fresh, almost 3 to 1 over organic.

The Fresh Value Proposition

Consumers noted that freshness is more important for some categories than for others. Produce, dairy and seafood ranked highest as foods where fresh is critical to the purchase decision. Deli ranked higher than bakery for importance of freshness — 87 percent for deli, 79 percent for bakery.

Bread ranked among the bottom three choices when consumers were asked to associate foods with degrees of freshness. Prepackaged white bread was noted frequently as the opposite of fresh.

Consumers said that fresh, healthy and nutritious were the most important characteristics in purchasing food. Organic, fair trade, farm raised and sustainable rated comparably with about 11 percent of consumers who said these characteristics would drive a purchase decision.

Trusted Fresh Venues

The individual store experience means more than claims or labels to the consumers surveyed. Many consumers shared the name of their local retailer as a trusted source based on their experience. Consumers were asked to choose their three favorite locations to buy fresh food. Supermarkets were among their top three. Not surprising, farmers markets ranked high as the best place to find fresh food, by 79 percent of consumers. Local retailers fared extremely well and were noted by 55 percent of consumers as a great place to find fresh food.

National and local supermarket chains were listed alongside Bentonville, AR-based Wal-Mart, as places consumers would trust to buy fresh products. Consumers shared reasons that were based more on personal experience than perception of brands.

Fresh Brands

Sixty-two percent of consumers said they do not look for brands when they look for fresh food. Of the 38 percent who said brand was important, they noted store brands with which they had personal experience rather than manufacturer or producer brands.

The store as a brand is emerging as more important than the brands within the store. When consumers offered up store brands as favorites, they described characteristics related to the total store experience, not just specific products.

Consumer Relevance

Consumers want credible information on the foods they purchase. This information goes well beyond product labels. They indicated frustration in their ability to get the information they wanted for many food items. Particularly frustrating were house-made salads. Although these products were often listed as favorites for taste, there were equally as many negative comments such as, “not always fresh,” “don’t have any idea

what’s in it” and “Have you ever tried to get nutrition information from the person behind the counter?”

Favorite Fresh Foods

When consumers were asked about their favorite fresh foods in the deli, the response often related to a particular recipe of a prepared chilled food offering or a made-to-order sandwich. There were no surprises when consumers noted meat, cheese, salads, and made-to-order sandwiches as fresh deli favorites. Notably absent were rotisserie chicken and prepared hot entrées.

Fake Fresh Claims

The deli patron is a savvy consumer, and these consumers enjoyed sharing some of their favorite fake fresh claims. Products of international origin labeled as fresh caused a disconnect for many consumers. A visual presentation that contradicts signage was another issue consumers noted. In particular, consumers cited moldy berries in the fresh produce department as a definite detraction to claims of freshness. Consumers also found it difficult to believe that pre-sliced deli meats were fresh. Packaged products with shelf-life dates far too long to be considered fresh made consumers wonder what kind of preservatives were in them to make them last that long. Dairy products caused concern for many consumers with products such as milk that was good for three weeks and eggs that would last over a month.

Organic Skepticism

Consumer scrutiny is growing due to the proliferation of organic labels on processed foods. Even though federal regulations allow for different classifications of organic products in stores, consumers simply do not find organic claims on frozen food and processed snack foods to be believable.

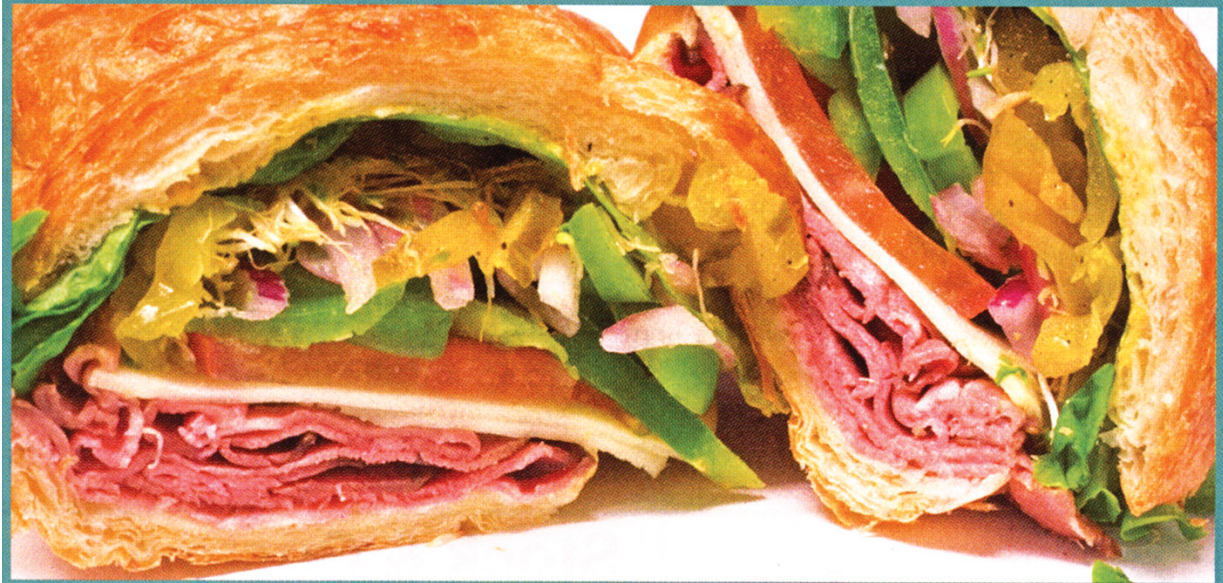
Organic labeling was characterized as a “marketing myth” by consumers who felt it was an unsubstantiated claim used by some retailers to justify a higher price. Consumers do not automatically perceive organic products as being fresher and more healthful than conventional products.

Fresh Merchandising

According to researchers who surveyed stores for fresh merchandising tactics, poor store-level execution contradicted fresh claims all too often. Virtually, all stores fea-

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Store experience is becoming more important to consumers than specific brands or claims

tured language and promotions that highlighted the freshness and great taste of their offerings. Beautiful, appetizing color photography on translights over the deli case added appeal in some cases, but in others where the graphics were old, faded and dull, it gave the exact opposite impression.

Display cases with great serving pieces filled with fresh product in the morning enhanced the appeal of freshness. Late evening surveys found some displays that were kept clean, even though nearly empty, gave a positive impression of freshness and a desire to purchase the product. Other cases with spilled products, dropped signs and messy utensils gave the opposite impression of freshness.

Although pre-sliced and piled deli meats looked pretty, no one considered these fresh. The attitude of the deli attendant about slicing fresh to order had the power to change that perception or validate it.

Employee appearance also played a role in fresh perception of freshness. Some delis' employees wore clean, fresh uniforms or even chef's jackets; they were perceived as fresher than those where appearance was haphazard.

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Fingerprints on the case were noted as an indication that employees did not have time to keep the department fresh looking and that impression transferred to the food.

The Fresh Zone

What can retailers do to create an irresistible fresh zone inside their stores to build confidence, credibility and sales with their customers? Research provided just as much insight into practices that ring true with consumers as efforts that seem outrageous and unbelievable to consumers.

Best Fresh Zone Practices

1. Products that look fresh, displayed in sparkling clean areas, well stocked in the cases.
2. Made or sliced to order — not pre-sliced put out in the morning for all day.
3. Realistic code dates — Consumers do not want to know the product has extended shelf life; they want short dates that still leave them time to enjoy the products at home.
4. Deliver on taste claims — Consumers want great taste and are unforgiving when a product does not live up to a claim.
5. Share information — Many customers want to know where a product comes from, why it is labeled a particular way and what is in it. House-made products are not exempt from this scrutiny and when employees can share this information with customers, it builds trust.

It seems so simple — and it is.