

MERCHANDISING REVIEW

CAPITALIZING ON GRAB-AND-GO

Millennials' penchant for mini meals drives trend

BY LISA WHITE

Today's society is fast-paced, mobile and not as meal-centric as it used to be. These lifestyle changes have created opportunities and challenges for deli department grab-and-go programs.

"Grab-and-go has become a significant portion of retailers' business and is growing substantially," says Eric Wangler, president of Jaccard Corp., based in Rochester, NY. "These foods are really accepted by consumers."

For further evidence of the grab-and-go trend, one only has to look at the overall space of today's supermarket, which shows the rapid expansion of the perimeter. This has been propelled by increased offerings of fresh food, including grab-and-go items.

"Food is being used as a welcome mat, with grab-and-go offerings encompassing premade sandwiches, meals and hot and cold bars," says David Gacom, vice president, sales and marketing at Hummus Plus, LLC, whose parent company, Pure Mediterranean Foods, is located in Elk Grove Village, IL. "Still, about 15 percent of shoppers have never purchased grab-and-go from the deli."

Who's Buying

To better understand this segment, it helps to know the grab-and-go demographic. Although much depends on the type of food, regional market and an individual store's customer, Millennials are the driving force behind this segment's burgeoning growth.

According to a survey conducted by The Culinary Visions Panel and Y-Pulse, Millennials who purchased a snack from a supermarket deli reported higher mid-morning snack preferences for mini meals and combinations of foods, mini sandwiches and wraps, prepared salads, soups and chilis, vegetables, beef jerky, smoothies, bakery items and candy.

"Millennials are on food adventures," says Brenda Killingsworth, trade marketing manager at Reser's Fine Foods, located in Beaverton, OR. "This group of consumers is more experimental and will try diverse/ethnic foods."

This includes trendy ingredients/foods like sriracha and chipotle flavors. Unique or sustainable packaging also attracts this group.

Rather than target consumers by demographic, deli departments also are more apt to focus on different cuisine types.

"Retailers will want to balance out offerings by including comfort foods, mainstays like sandwiches and salads, and smaller portion sizes for other consumers," says Killingsworth.

With snacks now replacing meals more often, the grab-and-go segment has expanded to encom-

pass more items to broaden consumer appeal.

"Everyone is snacking these days, and many consumers say they eat more often but choose smaller bites throughout the day," says Killingsworth. "The grab-and-go area is perfect for displaying these snack-like items, which many consumers are eating immediately or shortly after purchase rather than taking home for another eating occasion."

Grab-and-go trends tend to mirror that of the food industry overall. For example, there has been an influx of ethnic fare positioned for those looking to purchase something quick and on-the-run.

Although JFE Franchising Inc., a Houston, TX-based sushi provider, does not track its demographic, social media trends indicate many of its consumers are in high school and college.

Familiarizing shoppers with unfamiliar ethnic grab-and-go fare can be a challenge, but one that's worthwhile. "Converting customers to sushi is a very gradual process, but our sales are growing steadily," says Joel Stark, deputy general manager, marketing director at JFE Franchising. "The grab-and-go segment provides the opportunity to engage a variety of customers with sampling and target those who've never tried sushi."

Stores with strong lunch traffic and those investing in in-store seating are prime examples of markets that can capitalize on grab-and-go



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with items that can be eaten on-site or off.

"I don't have specific data on grab-and-go demographics, but it skews more heavily to families with young children," says Jaccard Corp.'s Wangler. "This is because it makes the shopping experience quicker and easier to go grab something. It's more of a time saver."

What's Trending

Grab-and-go food trends vary, depending on the market and store. There has been an increase, however, in more healthful fare and fresh products.

Consumers' definition of healthful is not always directly related to calories and fat. A recent study by the Culinary Visions Panel revealed the top five most influential claims that influence purchase decisions are All Natural, Local, Whole Grain, No High Fructose Corn Syrup and Hormone Free. Descriptive words that entice deli consumers in particular are Fresh, Natural, Local, Homemade and Whole Grain.

"Fresh equates to high quality, which equates to healthier," says Gacom of Hummus Plus. "Having store real estate and traffic flows directed in smart ways, we're seeing wider aisles and brighter lighting in retail that highlights the display and merchandising areas, [drawing consumers to these products]."

Grab-and-go sections have traffic patterns that keep customers shopping on the store perimeter as opposed to weaving through the grocery aisles.

Also with grab-and-go fare, ethnic flavors are added to recognized foods. In addition, smaller portions and breakfast items are offered more frequently.

"While some consumers are looking for healthier yet convenient grab-and-go items, other consumers still want comfort foods," says Killingsworth.

Reser's most popular grab-and-go deli offerings include its potato, macaroni, chicken, seafood, tuna and ham salads; cole slaw; and baked beans. Its bulk items, like

hummus and mac and cheese, are often repacked by delis and sold in grab-and-go sections, along with the company's new smaller-sized salads, which include Harissa Lentil, Quinoa Daybreak, Chimichurri Potato and Black Bean and Corn.

Charlotte, NC-based Stefano Foods specializes in the Heat and Eat portion of the grab-and-go section, and has seen a focus on grab-and-go items that microwave quickly.

"Consumers tend to seek a generous portion of protein, so that their hand-held choice is both time and cost effective," says Alan Hamer, Stefano's vice president.

While JFE Franchising's sales have experienced 200-percent growth in some locations, the same sushi lines have performed more consistently over the last three years. "I attribute gradual changes in the menu to the fact that, as more people see sushi as a great grab-and-go option, they're becoming more familiar with the many flavor profiles," says Stark.



All of JFE Franchising's fried shrimp varieties and spicy sauces are popular. The company continues to add products with heat, including a jalapeño roll with spicy mayo. Its wasabi roll also is a top seller.

"What's interesting about sushi trends is there's demand for complex flavor profiles," says Stark. "Also, our sales of marginally healthy rolls are strong."

From a production standpoint, part of the focus and challenge of delivering these programs is considering the ergonomic designs of machines that help reduce employee injuries and downtime. Jaccard's automatic stacking slicer is designed to keep up with the demands of grab-and-go programs by producing high volumes of sliced product.

"We've been looking at the grab-and-go market for about five years and discovered there really wasn't a slicing solution that considered employee well being and public safety and sanitation," says Wangler.

Effective Merchandising

Creative merchandising and marketing at the store level drive grab-and-go sales. This includes incorporating signage, promotions, unique packaging and serving items, along with innovative product offerings targeted to the store's customer base.

"Transparent packaging, minimal labels and products organized by category are key," says Reser's Fine Foods' Killingsworth. "Retailers should include packaging that conveys freshness, showcases the product, and is fun and easy to eat from."

Most grab-and-go packaging is single serve, as the vast majority of people purchasing these items are getting something to eat at home, work or on the road.

Lindar Corp., a packaging company based in Baxter, MN, offers single-serve salad containers as well as wrap sandwich and sub sandwich

containers with tamper obvious safety features.

"Across the board for all food packaging, food safety is the main focus," says Dave Fosse, Lindar's director of marketing, key accounts. Another recent grab-and-go packaging trend is containers that better protect the product and are stackable for easier merchandising.

"We also continue to see more of these packages geared to fit into car cup holders for easier transport," says Fosse.

Large signs are effective to lead shoppers to grab-and-go items, which are best positioned close to the deli traffic pattern.

"Positioning additional meal components in proximity to the grab-and-go section optimizes convenience to the customer and enhances the total retail ring," says Hamer of Stefano Foods.

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