



PHOTO COURTESY OF ORGANIC VALLEY

Selling Health In The Deli

The deli should take advantage of consumers' desire for healthful foods

BY CHRISTINA DAVIS ROBERTS

ALREADY A DESTINATION FOR FRESHLY PREPARED FOOD, THE DELI CAN POSITION ITSELF AS THE SOURCE FOR HEALTHFUL EATING. EVEN THOUGH MANY HEALTHFUL PRODUCTS MAY COST A BIT MORE THAN THEIR CONVENTIONAL COUNTERPARTS, CONSUMERS JUSTIFY THE EXPENSE AS NECESSARY FOR THEIR WELLBEING.

With so many products jumping on the healthful-marketing bandwagon, consumers are now scrutinizing packaging and seeking out information to be sure products are consistent with their needs, and they have high expectations for foods touted as organic and natural. "Natural foods have migrated into mainstream grocery categories such as pizza and potpie, broths, soups and beverages. The trend is growing," says Patrick Gabrish, vice president of Tualatin, OR-based Pacific Natural Foods, a natural and organic foods company that provides bulk foodservice components and multi-pack products for house-brand resale.

Retailers should focus on healthful additions to service-counter deli staples. Eric Newman, vice president of sales, Organic Valley, LaFarge, WI, advises deli operators not to segregate organic or other healthful products from their mainstream counterparts. "Put the cheese alongside conventional cheese of similar flavor profile to offer consumers a choice," he advises.

Wendie DiMatteo, CEO, Hershey PA-based ASK Foods, which offers preservative-free deli salads, also recommends merchandising healthful and traditional choices together. "Years ago there was a sea of white and yellow potato and macaroni salad. Now, we see more colorful foods in the case, such as veggie and whole-wheat pasta salads or lighter tuna salads with garden vegetables and olive oil, or vinaigrette-based potato salads. Sometimes when you distinguish a

"YEARS AGO THERE WAS A SEA OF WHITE AND YELLOW POTATO AND MACARONI SALAD. NOW, WE SEE MORE COLORFUL FOODS IN THE CASE, SUCH AS VEGGIE AND WHOLE-WHEAT PASTA SALADS OR LIGHTER TUNA SALADS WITH GARDEN VEGETABLES..."

— WENDIE DIMATTEO
ASK FOODS

product as healthful, some consumers may actually avoid it for a preconceived notion of how it will taste. By blending them into the overall case, with proper signage of how many grams of fat or calling out noted ingredients on labels, such as olive oil, consumers are able to make informed decisions."

Philadelphia, PA-based Deitz & Watson's Healthy Lifestyle Program includes 50 deli items that meet the American Heart Association's recommendations for healthful

nutritional criteria. Each product has an identification tag with nutritional information, such as sodium and fat content, for display in the service deli case. "The nutritional information of our products tells an excellent story at point of purchase," says Louis Eni, president and CEO. The company's minimally processed lower-sodium and lower-fat deli meats compare favorably to other meats bulked up with water and sodium injections. "We found a long time ago that it is much better to process whole-muscle premium deli meats such as old fashioned ham, premium turkey, chicken breast and roast beef with just enough salt for flavor."

"The beauty is in what's not on the label," says Ken Hoffman, a consultant to Deitz & Watson.

"Loyal purchasers of all-natural meat and cheese cross every demographic," says Gina Asoudegan, manager of communications and outreach for Bridgewater, NJ-based Applegate Farms, a producer of natural and organic meats and cheeses, including a new line of bulk deli American, Provolone, Swiss, and Medium Cheddar cheese. "Some are driven to a healthful lifestyle because of a medical diagnosis, while others purchase natural products because of their beliefs about the issues surrounding food. For example, they may feel strongly about the effects of pesticides, antibiotics and hormones. Or they might have a strong belief about the humane treatment of animals. In fact, we're seeing increasingly more demand as consumers

PHOTO COURTESY OF APPLGATE FARMS



demand higher-quality natural and organic versions of food such as deli meats, hot dogs, and bacon that traditionally contain a host of unnatural ingredients.

"The new trend in sandwiches is to use less meat and cheese," she continues. "These sandwiches are made on good bread, with seasonal produce, and a couple of slices of high-quality meat and cheese. Sandwiches made this way are healthful without compromising flavor. Similarly, the best way to market our all-natural deli meats and new cheeses is to highlight their taste. The flavor is directly related to how it's raised and produced. Meat tastes better when it's raised humanely without antibiotics and hormones and doesn't contain any additives, fillers, or preservatives — so hand out those free samples!" she recommends.

Applegate's deli meats, sausages, and bacon are also gluten-free. A gluten-free diet prohibits foods containing all forms of wheat, rye, barley and related grain hybrids. "In fact, we recently launched gluten-free chicken nuggets. We developed a gluten-free breading using a mixture of corn and rice flours without comprising the level of taste and quality that our loyal customers depend on," Asoudegan explains.

Because certified kosher food production is so stringent, a wide range of non-Jewish shoppers — such as vegans, Muslims, Seventh Day Adventists, and others concerned with animal and environmental welfare — seek out the kosher label as a form of vetting for similar values. "They want to know food is sustainable," says Brigitte Mizrahi, CEO of Mineola, NY-based Anderson International Foods, Inc., which is introducing a new line of USDA-certified organic as well as kosher cheeses. To maintain their religious kosher identity, bulk loaf kosher items must be handled in a kosher-certified service deli with rabbinical supervision from beginning to end, but mainstream supermarkets can still sell the products as a natural product. "If a regular deli wants to offer a certified kosher product, we offer deli pre-packs with the certified kosher label, which can be sold in the refrigerated section," she adds.

Product Promotion

Demos can reach out to health-conscious consumers by advertising complementary products on a rotating basis in circulars and highlighting specific healthful aspects. "The most successful stores run an ad with a picture and 1- or 2-sentence description. People want to know where [a product is] from, why it's produced and why they should care," says Chad Pawlak, president of Thorp, WI-based Organic Farm Marketing, a producer of milk, cheese and butter products.

Demos and sampling are proven ways to get an untried product into a consumer's mouth. Organic Valley's Newman believes

DELIS CAN REACH OUT TO HEALTH-CONSCIOUS CONSUMERS BY ADVERTISING COMPLEMENTARY PRODUCTS ON A ROTATING BASIS IN CIRCULARS AND HIGHLIGHTING SPECIFIC HEALTHFUL ASPECTS.

sampling from behind the counter and demoing are the best ways to introduce new products. "We can even arrange to have a farmer in the store doing an active demo. People absolutely love to meet the farmers."

"One of the most effective ways of getting the word out about our products has been through product demos and social media outlets, such as blogs. Demos let us show people, first hand, that they're not trading flavor for health, and bloggers offer consumers a credible third party opinion about the taste and quality of our products," Applegate's Asoudegan says.

Natural and Organic

FreeBird, a line of natural chicken, offers delis rotisserie-ready trussed non-marinated chickens ready for the deli's own signature seasoning as well as birds pre-seasoned with rubs and ingredients with no chemical additives. "Just as we are what we eat, these animals are what they eat. Our chickens are raised on family farms in a humane manner with high regard for animal welfare standards, and vegetarian-fed corn and soybean feed with no antibiotics and no animal protein by-product of any kind in the feed. What we do creates an opportunity for the retailer to present product to the customer which can trace the lineage of their food back to the farm," says Joe DePippo, vice president of FreeBird Organics, Fredericksburg, PA, a division of The Hain Celestial Group, based in Boulder, CO.

"These are value-added rotisserie chickens in their purest possible form, starting with organic, free-range chickens and a clean panel of seasoning ingredients that are never irradiated," DePippo explains. "We use sea

salt, not water and phosphates. We all strive for the best possible tasting chicken. It gets back to the authenticity of how chicken used to taste." FreeBird also offers operator-ready foodservice products such as chicken nuggets, party wings and chicken tenders.

According to Organic Valley's Newman, "Organic food has provided a lot of the growth in the grocery segment in recent years. Consumers who are interested in food safety are seeking out organic certified foods because we can provide transparency in their production. Products can be tracked back through every stage of production and go through as many as 38 different tests before they hit the shelf." In addition to its current line of pre-packed sliced organic cheeses, the company is introducing a line of random-weight block cheeses, cut, wrapped and labeled organic for sale in the deli cold case.

Consumers seeking organic meats and cheeses will likely also seek an organic cracker to serve with them. Dallas, TX-based Dr. Kracker manufactures whole-wheat, artisan seed- and grain-topped crunchy flatbreads. They differ from crackers typically found in the grocery aisle because they are yeast-raised and baked. Sturdy enough for cheeses and dips such as hummus, tapenade and pesto, they are available in flavors such as seeded spelt and pumpkin or sunflower seed topped cheddar. "We pack them in plastic acetate tubs for sale in the deli department so shoppers can view the heavily textured whole grain crackers," says vice president George Eckrich, who is also baker trained in Germany.

A Sustainable Trend

Some consumers feel maintaining the health of the planet is as important as maintaining their own health, so positioning product to fit this niche can be profitable.

"People are making quality lifestyle choices," says Pacific Natural's Gabrish, who cites the use of the pesticides, petroleum products, and groundwater pollution as issues increasingly on the radar. "Generation Y is the single most influential demographic right now — used to looking at those nutrition labels and reading them. There is a growing awareness that cheap pork isn't cheap; someone else is paying those costs."

According to Applegate's Asoudegan, "Healthy food is becoming less about fat grams and nutrition panels and more about clean ingredients and where the food comes from."

"Consumers are buying and eating with intent, looking not only for a good price, but how that product is made — how the cows are treated and what they are fed," notes Organic Farm's Pawlak. **DB**