# **Mean Healthy Business**

CSD Staff | Feb 29, 2012 | 0 Comments



While some c-

store operators are gingerly testing the waters of healthy lunch and dinner solutions, others have plunged right in as the tide of consumer demand moves steadily toward fresher fare.

By Marilyn Odesser-Torpey, Associate Editor.

With the opening of its latest store in Marshfield, Mass., Tedeschi Food Shops launched a new initiative that puts healthful meal and snack options "front and center," said Bob Goodwin, the company's director of fresh foods.

Among the prominent features are walk-around refrigerated cases at the entrance, full deli with a rotisserie chicken unit on display and a self-service soup station. (See page 36 for more on the equipment chosen by Tedeschi to execute this new concept.)

Twenty-one of the chain's 189 stores have in-store delis. The rest receive their fresh foods from Tedeschi's proprietary commissary.

# **Designing a Fresh Store**

"Instead of just a place to pick up a pack of cigarettes, we want customers to think of us as a neighborhood mini fresh store, an alternative to the supermarkets, where they can find fresh

meats and produce as well our signature bake-at-home pizzas and immediate consumption foodservice options," Goodwin said.

According to Goodwin, one of Tedeschi's goals is to "reduce the total calorie count of our foodservice offerings by 20-30% across the board" and provide more vegetarian options. The company also hopes that the healthful fare will also attract more female customers.

## Redefining "America's Cookie Jar"

In reality, a sizeable number of consumers "still talk thin and eat fat" and view c-stores as 'America's Cookie Jar," said Michael Davis, vice president of member services for NACS.

However, David Morris, a foodservice consultant and analyst for Packaged Facts market research firm, said we are seeing the gap closing "as major media exposure and government educational efforts are resulting in an increasing enlightenment among consumers of the importance of eating healthfully."

A recent survey of close to 1,600 members of a social networking site conducted for the nonprofit, Web-based organization, HealthyWomen, seemed to support Morris' conclusion. Approximately 75% of the respondents said they pay more attention to eating healthy than they did five years ago.

In fact, Eric Giandelone, director of foodservice research at Mintel research company, said that one of the best-selling items at Applebee's last year was a sirloin and shrimp entrée that came in under 550 calories.

### **C-store Conundrum**

The dilemma for convenience store operators is that their customers' purchasing decisions are generally made on impulse, driven by the desire for immediate satisfaction rather than long- term health considerations, Morris said. Combine this with the c-stores' long-established reputation for serving generally unhealthful foods and it's difficult to change the consumers' mindset that they don't have any other choices.

In the past couple of years, however, a number of players are prominently featuring items that resonate as healthful to consumers. When it comes to fresh foodservice items, c-stores should "borrow from the playbook of the restaurants that have succeeded not by revamping their entire menus, but by calling out a few of the more healthful items," Morris said.

7-Eleven, for example, highlights sandwiches that are under 400 calories as part of its "7-Smart" brand, according to company spokesperson, Margaret Chabris. Sixty-seven percent of the chain's 5,700 U.S. stores carry a selection of these low-cal sandwiches.

### **Fresh Image**

With two commissaries (one in operation for seven years, the other recently opened), "fresh" is a given when it comes to sandwiches and other foodservice items that are delivered every other day to Thorntons' convenience stores. But getting customers to view the stores as a source of

"healthful" meals and snacks has proven to be more of a challenge, said Melina Patterson, senior category manager of fresh foods for the 165-unit Midwest chain.

"We believed that starting with fresh produce would have the most immediate impact," Patterson said. "So we increased our SKUs of whole and cut fresh fruits and vegetables from five to 10 and displayed them in our most highly-trafficked area between the front door and the check-out."

Cut fruits requiring refrigeration are displayed in a highly visible location in the deli case. While Patterson admitted that these healthful selections did not immediately fly out the door, she explained that "we noticed the entire store presentation felt different and we think our customers started picking up on it, too. Through intercepts, we found that many of them recall that we have healthy options."

For Thorntons, that response has already made the initial efforts worthwhile and encouraged the company to take its fresh and healthy initiative even further.

"We view it as a long-term investment," Patterson said. "Our plans to grow the fresh segment of the business include an aggressive sampling plan for the spring and summer, as well as improved signage that will highlight our fresh and healthy food items."

Among the other priorities is identifying more healthful items on the stores' menus.

"Several restaurant and retail operators are doing a really nice job in letting customers know which items are lower in calories and fat," Patterson said. "We will do the same with items we already carry and as new items are introduced."

Patterson noted that the company realizes not all customers base their buying decisions on nutritional information. "But for those who do, we want them to know they have options," she said.

An effective foodservice strategy is not about preaching to customers what they should and should not eat, said Ron Santibanez, president of the Southern California-based Profit Line restaurant consulting group. It's all about letting customers know that your healthful items are not taking anything away from them—"you don't want to make them think you're trying to sell them tree bark"—but to emphasize that these selections are just as delicious as everything else on your menu, he said.

#### Part of that requires staff training.

"Be sure your staff members taste the items, so they can sell them with knowledge and confidence," Santibanez said.

#### **In-House Inventory**

Many retailers already have the inventory they need right in-house to add a healthy halo to their foodservice menu. "For sandwiches, it may be a matter of simply promoting a turkey sandwich

with mustard instead of mayonnaise or, like many restaurants do, add an icon like a heart to indicate items that are more healthful," Davis said.

Davis also advised operators to "take a holistic approach" and cross merchandise by tagging appropriate items throughout the store, whether fresh foodservice or not, with the same icon or other nutritional information. "This is also a great way to encourage incremental sales," he said.

## Work With Social Media

Some operators are making good use of the Internet and other social media outlets to spread the word beyond their stores' four walls. For example, on its Website, Speedway posts full nutritional information for every menu item from its coffee drinks to sandwiches and pastries. Both Wawa and Sheetz offer "build-a-meal" options on their Websites to allow customers to select the ingredients that best meet their caloric and dietary needs.

Facebook and Twitter, said Davis, are easy, immediate and inexpensive ways to tell customers who already follow you about existing and new fresh and healthful items.

In a recent survey conducted by NPD research firm, 9% of consumers said they are looking for "healthy, light options, in restaurants."

"While 9% may sound like a small number, when you put it into the context of around 61 billion restaurant visits last year, it becomes extremely significant," said company analyst, Bonnie Riggs. It also indicates that there is ample opportunity for all foodservice providers to tap into an increasingly profitable market segment.