

# DELI BUSINESS

MARKETING MERCHANDISING MANAGEMENT PROCUREMENT

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# Baby, It's Cold Outside

Soups offer comfort and satisfaction when the weather turns frigid

BY JAN FIALKOW

When winter sets in, consumers turn to comfort foods. Salads and light meals are fine when the temperature is high and the humidity is oppressive, but when the temperature dips, they want heartier fare. And nothing says hearth-and-home quite the way a bowl of steaming hot soup does.

According to Mike Leccese, culinary support chef, Select Store Brands, Ontario, CA, "There's a lot of interest in soups when the weather gets cold. They show up on more menus and in more retailers. Today's consumer realizes that there's more to soup than Campbell's."

"The demand [for soup] is very strong; it's going in many directions at a fast pace," says Levon Kurkjian, vice president of marketing, Kettle Cuisine, Chelsea, MA. "In terms of fresh soup, the Top 10 has stayed the same for years. They have a huge market share — probably 80 percent of sales. But now retailers are demanding more rotation. They're looking for changes three to four times a year. They want more breadth. The non-traditional soups are beginning to take some of the market share that the traditional soups have claimed."

Generations that grew up on condensed soup have developed more sophisticated palates and want intense flavor profiles. The deli can offer a wide variety of tastes and styles, enabling each person at the table to indulge his or her preferences. Soup bars cater to a wide spectrum of tastes, from familiar to exotic, stock-based to cream-based, vegan to carnivore.

Perhaps the most overriding trend right now is the quest for ethnic flavors. "Global flavors — such as Mediterranean, Asian-inspired, and Mexican — bolder tastes and healthy attributes are in demand right now for many soup lovers, especially the 20-somethings, the Food Network generation," says Lynnea Jodway, marketing coordinator, Sandridge Food Corp., Medina, OH. "Many consumers are seeking out products that fol-



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low these trends, and they desire ethnically authentic flavor profiles."

Within the ethnic category, Leccese sees a strong push for Latin flavors. "The Latin theme is strong and picking up in classic takes. What we've thought of as Hispanic is transitioning," he explains. "Mole sauce is becoming a background — the chilies and spices are popular. The sauce is thinned out and has squashes and vegetables added. Heat and smokiness are big right now and these flavors are being added to classic soups."

Kurkjian sees the ethnic trend reaching into new territory. "A lot of ethnic trends are still very strong. Consumers are demanding more ethnic and regional flavors; they want more than Southwestern, Mexican, Chinese and Japanese. They're branching out and looking for different and more interesting flavor profiles — such as Indian, Southeast Asian, North African and Midwest as

well as regional seafood flavors such as East Coast, West Coast and Pacific Northwest," he notes.

## Comfort with a Twist

The search for the new doesn't mean an abandonment of the familiar. In today's marketplace, it often means a fusion of the two.

Comfort with a twist is one of the fastest growing trends, says Kurkjian. He explains this as "something that's familiar but a little different. For example, chicken noodle soup — people know it and love it, but now they're looking for a twist. Perhaps tarragon or whole-grain noodles. They want to tweak the familiar. And this goes beyond soups."

According to William Bigelow, vice president of corporate development, Blount Fine Foods, Fall River, MA, "The 'classic' flavors still dominate the marketplace but bold and ethnic flavors are starting to gain in populari-



PHOTO COURTESY OF SELECT STORE BRANDS



PHOTO COURTESY OF SANDRIDGE FOOD CORP

ty. An example is our new Chicken Posole Soup. It's a classic Mexican soup that has a deep, rich flavor profile and authentic spices." Blount offers a two-pronged solution to seasonal soup demand: a robust offering of fresh Panera Bread and Legal Sea Foods retail soups in 16-ounce ready-to-heat cups and a broad selection of foodservice soups that can be offered hot-to-go in the deli.

Manufacturers are seeing "a turn on classics," notes Select Store Brand's Leccese. "There's been a resurgence of lobster bisque but with new flavors that include more vegetables and aromatics. Consumers are still interested in hearty soups, especially cream-based soups such as bisques and chowders. We're looking at Latin indigenous flavors — for example, smoked New Mexican Chile Chowder. The smoky New Mexican chiles balance out the creaminess.

"One trend that's showing up in restaurants is turning braised meats into soups, for example, short ribs, pork shoulder or stewed meats with big vegetables," he continues. "It hasn't filtered down to the deli yet, but it's coming, probably within a year or two.

"Across the spectrum, flavor profiles are including chili peppers, smoky elements, fennel and coriander. There's a lot of fusion going on," Leccese concludes.

The overriding attributes that consumers look for — whether they want on-trend or familiar — are freshness and quality. "Freshness is always in high demand — think less sodium, pure ingredients and no preservatives — more natural, homemade flavors that consumers can feel good about eating," explains Sandridge's Jodway. "Many consumers prefer the recognizable, not-as-trendy favorites, as well. Regardless of any trends, flavor remains the top concern when choosing a soup."

Having the right selections of fresh soup — creams and/or broths — available and in front of the consumer year-round will keep interest in the category and will constantly remind the consumer of its fresh and conve-

nient attributes," Jodway adds.

### The Health Connection

Soup has always had a perception as being healthy; chicken soup is a cross-cultural panacea for almost every stay-home-for-the-day malady. That image dimmed somewhat when consumers turned to high-sodium canned varieties, but fresh soup is regaining the mantle of healthfulness.

"Fresh soup is perceived as 'better for you' and overall, the soup category is in a strong position to address rising health concerns," relates Jodway. "Soups are generally filling, relatively low in calories and good sources of select vitamins and fiber — from vegetables and beans — and protein — from chicken, beef or beans.

"Several of our soups suit different dietary needs and health concerns, with attributes such as gluten free, dairy free, low fat and vegetarian/vegan," she continues. "With the USDA's latest recommendation to reduce sodium intake to 2,300 milligrams or less per day, many manufacturers are reducing the levels of sodium in their prepared food offerings. Our chefs have developed a new line of better-for-you fresh refrigerated soups featuring intense flavors that rely on select seasonings and spices rather than a heavy hand of salt to reach robust tastes. Also, our latest capital expansion includes technology that can help us significantly reduce sodium in many products while maintaining and/or intensifying savory flavors."

Health concerns also include food safety. According to Blount's Bigelow, "Healthy options and food safety are important to both deli managers and their customers. Food safety is always a priority when we're developing new flavors and recipes. Our products are made to be — and stay — safe, and to present well when offered hot-to-go in the deli.

"Healthy choices and 'clean' labels are very much on the minds of customers and consumers as well. Buyers continue to ask

for more choices in things such as lower sodium, gluten free and vegetarian while consumers are concerned with health and the ingredients that make up the foods they're eating. Our team works very hard to offer healthy options without any sacrifice in flavor, quality or presentation," Bigelow adds.

### Merchandising Options

Fresh, hot soup to-go is a draw for many consumers, but the deli has an opportunity to stake out a position that appeals to consumers who want hot soup, just not immediately.

"The pre-pack business is growing, but the numbers are all over the place," says Kettle Cuisine's Kurkjian. "Getting reliable data is a challenge. But pre-pack chilled soup is the fastest growing category; it's outpacing shelf-stable and frozen."

"Chilled, pre-pack options continue to gain traction, which is why we've expanded our Panera Soup offering heading into fall," explains Bigelow. "The 16-ounce retail cups we launched in the last year have performed very well in every market for us. To build on that success, this fall we're introducing three new soups from Panera Bread — Creamy Tomato Bisque, New England Clam Chowder and Black Bean Soup, which is vegetarian and gluten-free.

"Our consumer research points to two primary reasons for the early success of chilled, pre-pack soup options and both are familiar messages: economics and convenience," he continues. "The ability of a deli to offer a restaurant-quality soup — at a reasonable price — that can be heated quickly and easily at work is a welcome item. These soups deliver some of the best social media chatter we see on our pages."

According to Jodway, "More and more retailers are offering fresh pre-packed soups because consumers demand them. Fresh chilled soups have a freshness factor that a can of unrefrigerated soup on a shelf simply lacks. This is what consumers are seeking out — freshness, as well as convenience. The shelf space is expanding, not just in the grab-and-go but in the prepared foods sections of stores. Retailers are putting wells and kettles in to cater to the consumers picking up their lunch for the day or grabbing dinner for the evening."

The economic slowdown of the past few years impacted soup sales, but they have rebounded strongly. "The economic downturn hurt," says Kurkjian. "The problem lasted about a year, a year and a half. People saw premade soups as a luxury. Now, the consumers are back, and they're looking for fresh taste, purity and convenience. The price points [of deli soups] make it difficult to replicate them at home."