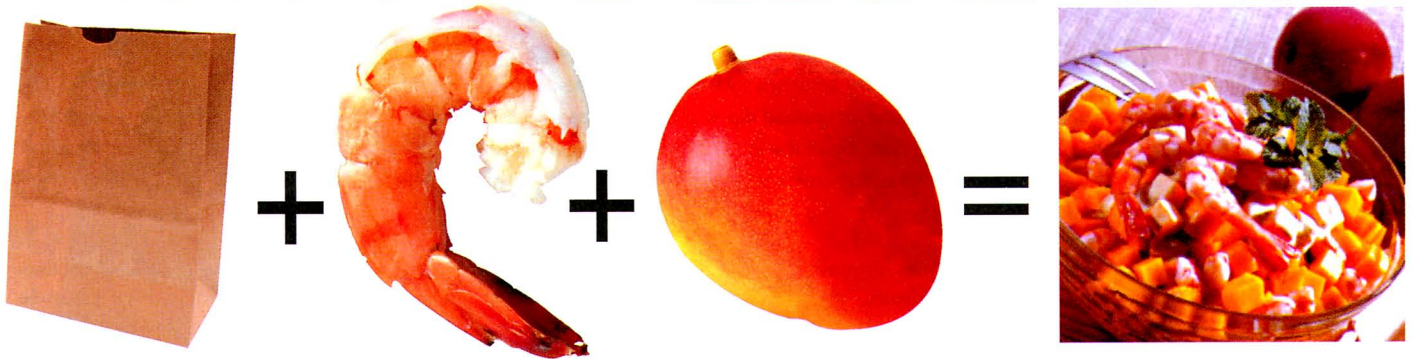


FOCUS ON FRESH

The role of PRODUCE



in MEAL SOLUTIONS

BY MEGAN LADAGE

Fresh-cut fruit and vegetables, bagged salads and other value-added produce items can be key elements in a meal solutions strategy.

When you think of meal solutions, does your mind automatically go to deli and food-service? If so, you may be missing a key ingredient in the meal solutions equation—namely, produce.

“We have a sense that people are in tune with fresh produce,” says Mike Klacke, vice president of sales and marketing, Global Berry Farms, Naples, Fla. “Consumer demand is keen, and consumption has increased for fresh, convenience products. Why? I don’t have an exact finger on it. It relates somehow to the wholesomeness of natural products. But retailers aren’t taking advantage of meal solutions in most instances.”

One reason may be the negative experience some retailers have had with home meal

replacement (HMR). “If you look at the history of HMR for the last three to five years, retailers jumped into merchandising it,” says Michael Leach, director of value-added sales and marketing, Tanimura & Antle, Salinas, Calif. “The shrink was high, and it wasn’t a success. So they pulled away after putting all their time and energy into the 4 p.m. consumer. Now they are going forward with more creative merchandising efforts, such as putting produce cases in a good location or different aisle and displaying suggestions such as ‘How about a chicken Caesar salad tonight?’”

Such approaches seem to make sense, given the growth of products such as fresh-cut vegetables and packaged salads. “According to our research of consumers who buy fresh-cut produce, these convenience products appeal to

busy people who want quick dinner solutions—single parents, families with children and two working parents, etc.,” says Stephanie Grunenfelder, director of marketing, International Fresh-cut Produce Association.

But it’s not just convenience-oriented produce items that can play a role in the meal solutions offering. “Our customer base is the international customer, the Hispanic and Mexican-American. They’re traditionally used to scratch cooking and not used to what we call convenience products,” says Bernie Murphy, director of public affairs, Fiesta Mart, Houston, Texas. “Many of our customers plan their meals around produce. In our case anyway, produce will continue to be one of our lead departments, and I would guess will become even more so over time. Not only for



CROSS-MERCHANDISING TO MAKE MEAL SOLUTIONS



How do you put a meal solution strategy into place in the produce department? Diane Chiasson, president, Chiasson Consultants Inc., Toronto, Ontario, offers some cross-merchandising tactics:

- Merchandise soup and crackers with fresh fruit for dessert.
- Display pre-cut onions, carrots and salad greens with hamburger and vegetarian patties.
- Display focaccia bread with sliced red peppers, sliced onions and sliced eggplant.
- Merchandise heat-and-eat burgers and vegetarian stir-fry additions such as tofu together.
- Create an unusual dip and merchandise it surrounded by all the ingredients. Offer cut vegetables so customers can sample the dip.

- Merchandise seasonal items such as strawberries and other fruits with crepes in the springtime, and peppers, potatoes and portabella mushrooms with meats in the summer.

- Cross-merchandise vegetarian dinners with vegetarian cookbooks, in addition to the ingredients that it takes to cook them. Display fresh mushrooms, tomatoes and potatoes in crates and barrels.

- Display steaks and chicken breasts with red and green sweet peppers, foil-wrapped potatoes, seasoning salt and barbecue sauce.

- Establish weekly meal solution themes. For instance, merchandise the makings for a week's worth of Japanese lunches and dinners, including the appropriate vegetables.

meal solutions, we'll get customers who are not our core customers to shop us for produce availability, price and health benefits. We always tap into the mindset with our customers that produce is healthy."

Once retailers begin to think of the role produce can play in a meal solutions strategy, the challenge will be to educate consumers as well. The National Potato Promotion Board is hoping to do just that with its two brochures, "Want Dinner in a Hurry?—Speedspuds! To the rescue" and "Pouch potatoes! To the rescue," which offer simple recipes involving potatoes. In addition, the association is currently testing ways to display potatoes and meat side by side. "We used national focus groups and polls to probe what's out there," says Linda McCashion, vice president of public relations, National Potato Promotion Board, Denver, Colo. "And people are looking for convenience, which can be defined in a lot of ways, such as how long it takes to cook or prepare a meal. Planning can become more convenient if we market the whole meal together, for example, and people don't have to scurry around the store or figure out what to make."

Observers agree that one problem with meal solutions is that the term can mean different things to different people, particularly when produce is involved. "Customers can get what they want in one place or can

zip around everywhere else," says Kathy Means, vice president, Produce Marketing Association (PMA). "Regardless of definitions, produce offers lots of meal solutions. And there are two different ways it's handled: Produce is part of an area where meal solutions are or the produce department is a haven for convenient foods, such as putting potatoes, turnips and carrots together for stew. Even the salad bar itself can offer consumers the choice to pick a little of this and that to make a recipe."

More and more, consumers are shopping for dinner as opposed to individual items, points out Grunenfelder. "I think any kind of merchandising that encourages consumers to think of the whole meal—spaghetti and sauce near the Caesar salads, for example—could encourage additional purchases," she says. "How about pre-sliced apples with pre-made pie crusts at Thanksgiving, or pre-chunked vegetables with meat cut for kabobs in the summer? How about chicken with the packaged salads to make a salad into a meal?"

Whether consumers are looking for a meal or a few items, retailers have barely scratched the surface of what can be done with fresh-cut produce, say industry observers. "Some retailers are extremely visionary, while others prefer to do business in a more traditional way," says McCashion. "I'd eventually like to see all products grouped by meals or meal solutions. But that's way out there. I want to plan dinner, not go backwards through the store looking for ingredients and hoping that I got everything."

For some retailers, the success of produce meal solutions boils down to their clientele. "Some stores have a large lunch crowd, and retailers are finding their express lanes clogged up with hot soups and a variety of hot meals," says Means. "They are turning themselves into an easy takeout restaurant. They know their customers and know what they want. The question then becomes, if there's not a heavy influx at 5 p.m., how do you create one?"

One way to drive traffic is to make people aware of how easy meal solutions are to pick up and take out of the store. "Consumers already want speed and convenience," says Means. "But the whole package needs to work, such as the express lane and the whole experience of getting in and out. Let people know about lunch and breakfast options at the grocery store."

Diane Chiasson, president, Chiasson Consultants Inc., Toronto, Ontario, a food and retail merchandising and marketing company, points out that retailers must merchandise fruits and vegetables with the three elements of home meal replacement in mind: ready to eat, ready to heat and ready to make. "In order to develop this concept, produce managers have to see their fruit and vegetables as meals instead of single-portioned foods," says Chiasson. "They have to think of what meal they can make out of carrots, zucchini and sweet peppers—create a recipe and post it for customers."

Leach suggests creating a section within the produce department that consists of meal solutions. "When consumers enter a store, they



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know where the salads are,” he says. “So if the consumer has a second location with salads, croutons, tomatoes and cucumbers to go to, then produce sales will increase from one salad to one salad with dressing, croutons, etc. And individual sales will increase per customer. Are retailers doing secondary displays of produce—giving nice ideas for dinner and lunches? That’s no different than building an end display of bananas or apples. They just need a refrigerated case for meal solution ideas.”

Establishing greater interaction between the produce staff and customers also can be an effective way to introduce produce meal solutions. “One of the best techniques is having the produce director or assistants handing out recipe cards that incorporate five to six items,” says Leach. “Have the produce department employees wear buttons saying ‘I have a meal

solution for you.’ Communication and signage help the overall store promote produce and the deli or fish department. If everyone promotes the concept, then a customer can walk in at 4 p.m. and leave with a meal without much effort. When you walk in a restaurant, do you know what you want? No, but you’ll know in 10 minutes. Restaurants are successful in helping consumers choose a meal with a menu, so why not take that success to grocery stores?”

Some produce companies are approaching the concept of meal solutions in another fashion. “We’re using the same strategy that we have for foodservice,” says John Loughridge, director of marketing, Del Monte Fresh Produce, North America, Coral Gables, Fla. “We’re creating a full product line for fresh-cut. In the Northwest, we’ve introduced salad kits for in-store delis, such as Asian noodle

and almond chicken salads, for example. We’re selling kits so retailers can control the process. And we’re selling fresh-cut fruit medleys in bulk to commissaries.”

Del Monte is attempting to find new combinations of its products in value-added forms to shift labor away from retailers and add interest for consumers, notes Loughridge. “We’ve developed a network of fresh-cut distribution centers to provide national coverage with consistency to Kroger and Safeway, for example,” he says.

Observers note that a successful meal solutions approach in produce can have benefits that extend beyond the produce department. “The store has to give the image that we can help you. If the store is committed to helping customers pick a meal, they will be a success,” says Leach. □

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