

Print> CSP Magazine
July 2016

Roller-Grill Reverence and Grocery Woes

By [Abbie Westra](#), Director, Editorial, CSP

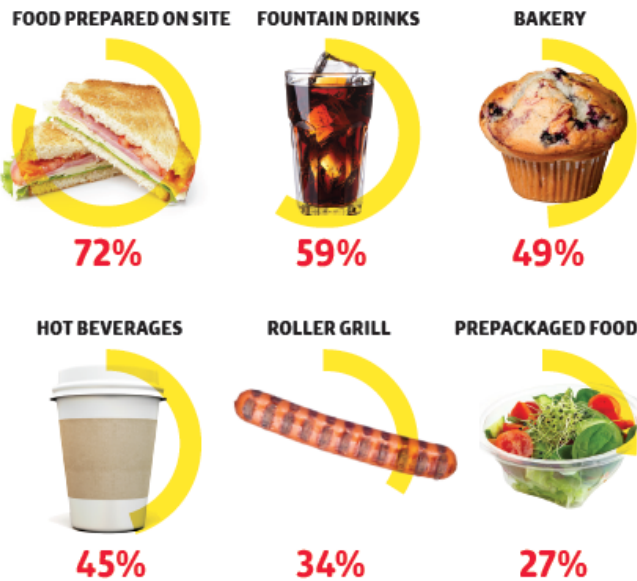
Just a few weeks after another solid foodservice report at the NACS [State of the Industry](#) Summit, 80 retailers and suppliers gathered in Chicago to dive into what drives foodservice success at the inaugural *CSP/Winsight C-Store Foodservice Forum*.

Notes were taken at a furious pace when Technomic Inc. principal Wade Hanson explored the boom in grocery foodservice, which is projected to see 6.8% real growth this year, vs. just 1% for c-stores. Attendees likewise hung onto every word as consultant [Jerry Weiner](#), former vice president of foodservice for Rutter's Farm Stores, attempted to put the question of spoilage to rest once and for all. (Spoiler alert: Hit your sales goals, and it will be fine.) And various presenters affirmed the continued dominance of the roller grill within the c-store foodservice portfolio.

What about all the buzz around the decline in traditional c-store foods? "That stuff gets overblown," said Hanson. "When we talk about elevating c-store foodservice, the consumer is saying we've got to make it more interesting." That means more unique and higher-end items within core categories. Plied with cupcakes and popcorn, attendees delved into topics ranging from roller grills to cage-free eggs and everything in between.

Closing the Deal

By compiling surveillance video and sales data, VideoMining tracks closure rates, or percentage of shoppers who make a purchase in the category they're shopping. For the most part, foodservice categories do a good job of turning shoppers into buyers. The only weak category is prepackaged food, which goes to show the importance of having a well-stocked display—especially later in the day.



Safe and Sound?

Jay Ellingson, senior director of food regulations and science operations for Kwik Trip, La Crosse, Wis., freaked attendees out about crucial elements of the Food Safety



Modernization Act (FSMA). “You all will be impacted by FSMA in the next 12 to 18 months,” said Ellingson. “It’s going to change the way we all do business.”

His FSMA Cliff’s Notes:

- > Three of the most important things to understand are the supplier verification programs for importers,

the sanitary transportation rule and the preventative controls rule. Study up.

- > Retailers are increasingly held accountable when a product sickens a customer. They must protect themselves by holding vendors accountable.
- > “Proof” is the key word in today’s food-safety landscape. Can

your vendors prove their product is safe beyond a piece of paper certification? Can you prove your food is safe beyond a checklist?

- > Your supplier approval process should include a supplier guarantee and indemnification agreement, general liability insurance, third-party audit and food-safety agreement.

Keep on Rolling

Burger King may have caught on to the hot-dog opportunity, but roller grills still reign at c-stores. The numbers prove the continued importance of the category, and acceptance by younger consumers indicates its negative perceptions could fade as generations pass.



54%

Amount of millennials who say they are likely to visit a c-store for prepared foods if roller-grill items are available, vs. 42% of total consumers



No. 1

Hot dogs, burgers and sausages were the top menu category that c-store consumers would be likely to purchase, out of 23 possible choices.



81%

Amount of time a roller-grill item is purchased along with something else

Who's Eating Your Food?

The C-Store Foodservice Forum provided a collage of insights into today's c-store foodservice consumer, from demographic details (yep, more millennials) to business-building opportunities (think drive-thru vs. curbside).

- > **Nearly seven in 10 millennials** think c-stores are just as capable as restaurants in offering fresh foods and beverages, compared to 56% of consumers overall.
- > **Sixty percent** of millennials who report visiting c-stores more often for foodservice are doing so at the expense of fast-food visits.
- > **Fifty-one percent** of consumers say they simply don't think to visit convenience stores for fresh prepared food.
- > **Half** of c-store shoppers say they sacrifice health for convenience when buying food at c-stores.

- > **More than half** (53%) say they'd visit c-stores more often for prepared foods if more healthy options were available.
- > **Fifty-seven percent** of consumers say they would likely use a c-store drive-thru. Forty-two percent would be likely to use curbside pickup.
- > **For every 100** gas customers, 16 purchase a foodservice item. Compare that to 29 who purchase any item (including foodservice).
- > **Sixty-five percent** of c-store foodservice consumers say they are more likely to purchase prepared foods at c-stores that offer made-to-order food where they can fully customize items.

Designed to Sell

Technomic worked with retail design and branding firm Chute Gerdeman to develop food-forward c-store layouts, and then tested them with consumers to see what resonated. Attendees explored some takeaways:

- 1** **Made to order isn't the only—or even the best—way to convey freshness.** The ability to get close to the food was important to respondents—something that's best delivered with self-serve food bars. tables and seating conducive to solo diners. Seating near condiment and beverage stations also scored well.
- 2** **Make signage clear and helpful.** Ensure customers know where to go to order and pick up food and find condiments—especially for made-to-order concepts.
- 3** **Offer a variety of seating.** Consider high and low
- 4** **Spaciousness is important.** Don't cram your space with seating and service areas.
- 5** **Follow the trifecta of good store design.** Create a warm and welcoming area; convey cleanliness, quality and freshness; and maintain speed and convenience.

Sources: Dannon Foodservice, Mintel, Technomic, VideoMining

\$6.20

AVERAGE ROLLER-GRILL MARKET BASKET

Now even more flavor!

87%

Amount of consumers who report flavor is an important attribute affecting roller-grill selection, followed by appearance (86%) and price (85%)



86%

Amount of c-store operators offering sausages, hot dogs or similar items, vs. 31% for QSR and fast-casual operators

Sources: CSP State of Foodservice Study, Dannon Foodservice, Johnsonville Sausage, Orion Food Systems, Technomic, VideoMining