

## An Overlooked Opportunity

C-stores can do more to make their fresh bakery offering appealing all day long

By Angela Hanson

**THE BAKERY CASE** is a staple of the morning convenience store visit as busy, on-the-go customers stop in to grab a coffee and a breakfast item they can eat on the way to work, school or while running errands. But all too often, the bakery case gets forgotten after the morning rush.

Savvy convenience foodservice retailers, however, are waking up and taking steps to turn the fresh bakery category from "good enough" to something that provides true added value.

Step one, according to industry insiders, is to look inside — not just into the bakery case, but into the products themselves and the ingredients used to make them.

"There are two universal truths about today's consumers and food. No. 1: It has to taste great. And No. 2: the fresher the better," said Jayne Kearney, director of marketing for Bake'n Joy Foods, a bakery solutions provider to the convenience channel.

For Bake'n Joy, "fresh" means sourcing ingredients as close to its North Andover, Mass., manufacturing facility as possible, such as cranberries from within the state and farm fresh eggs from New Hampshire. Using a higher percentage of whole fruit, nuts and spices also contributes to product quality.

At the same time, while quality and freshness will encourage customers to make repeat purchases, c-store operators must get their attention in the first place. One way to do this is by offering unique bakery items. For instance, Irving, Texas-based convenience store giant 7-Eleven Inc. experiments with unusual flavors, such as a Piña Colada cupcake, Bourbon Maple Praline yeast doughnut, and Cinnamon Fire Bomb cake doughnut. Regional c-store chain, Valparaiso, Ind.-based Family Express Corp., makes its doughnuts square-shaped to stand out.

These unique offerings don't have to be permanent additions — category experts agree that the fresh bakery segment can benefit from seasonal and limited-time offers (LTOs), just as the prepared food and dispensed beverage categories do.

"Seasonal promotions may include doughnuts decorated with colorful icing, whipped toppings, cereal or candy, and other toppings," said Tom Michalewski, customer marketing manager, convenience, for the foodservice division of Rich Products Corp. "These types of specialty items may even entice a customer who doesn't typically buy a bakery item to make a bakery purchase."

Indulgent baked goods that can double as snacks are also sales drivers. Filled doughnut rings and cake doughnuts featuring flavors like strawberries and cream, blueberry and pumpkin are on the rise.

The key is to make a habit of experimenting with on-trend and special items.

"Though the basics are the foundation of the business, special offerings are an essential constant," said Ryan Fasel, director of marketing at Family Express.

### Plan Practically

Along with choosing the right product assortment for their customers, c-store retailers must ensure they establish the right baking environment in which to execute their program.

"Foodservice in general is complex, but baked goods are more complex than traditional prepared foods," Fasel cautioned. "A slight variation in temperature or humidity can monumentally change a recipe."





It is integral that retailers who desire an outstanding program be prepared to make a significant capital investment, show passionate commitment and have patience, he noted.

For c-stores that bake or decorate in-store, training is just as important for fresh baked goods as it is for prepared foods. If a program is fully in-house, retailers should carefully develop their own detailed training program. C-store operators that wish to work with supplier partners in the segment should choose one that provides useful training resources.

Rich Products recommends three specific steps for retailers who are serious about enhancing their fresh bakery program:

- 1. Personalize it.** Even retailers that have their baked goods delivered instead of baking in-store can add their own unique twist or seasonal flair by finishing off items like doughnuts with colorful icing, cereal or candy.
- 2. Take credit for it.** If you offer fresh baked goods made in-store, let your customers know, said Michalewski. Put up signage that states "made fresh daily" to entice.
- 3. Market your bakery.** Don't wait for customers to notice the bakery case. Window clings, store signage and other promotional materials can get them there.

Advertising bakery specials and LTOs, cross-promoting fresh baked goods with the front-of-house beverage program,

and placing the bakery case in a high-traffic area all contribute to visibility and sales.

Once a new or revamped program is in operation, retailers should implement a sales-tracking program to determine the most popular individual items, instead of ringing up all items as a generic "doughnut" or "cookie." The more detailed the data in hand, the easier it is to offer the specific fresh baked products customers want and will buy.

And this, in turn, allows retailers to restock the bakery case throughout the day when possible, reinforcing the idea that fresh baked goods are an all-day option.

"The saddest thing to see in a c-store bakery display case is the two to three remaining muffins from the morning daypart," said Bake'n Joy's Kearney. "We strongly suggest operators bake fresh throughout the day to stimulate the senses. The sight and smell of fresh baked muffins evokes emotion and will lead to that impulse purchase."

As seen in the substitution of snacking throughout the day for three regular meals, and the adoption of all-day breakfast at chains like McDonald's, consumers are no longer playing by daypart rules when it comes to what they eat and when they eat it.

Finally, c-stores should pay attention to the bakery case and avoid giving it the appearance of an afterthought, even if a store lacks on-site baking capabilities. Clean the bakery case after the lunch rush and consolidate or restock specific SKUs for the evening.

"There is nothing wrong with having several empty slots in your case later in the day, but make sure the case is clean," Michalewski said. "It's important to remember that consumers eat with their eyes and cleanliness elevates the perception of freshness." **CSN**