

# The Deli Incarnate

Can speciality foods produced in traditional ways find favour in India?

By Zainab Morbiwala

**T**he Delicatessen word lends itself to many definitions. While in North America, it is virtually a synonym for a fast food counter, in Europe, it embodies the hushed elegance and aesthetics of fine foods. What incarnation is the universal deli taking in India?

honey, tea preserves, jams and pickles and luxury handmade chocolate. Depending on where in the world you are there could even be ready-to-eat meals – soups, sandwiches, salads, beverages etc. – on offer.”

Most delicatessens in the United States have a sandwich menu, most of which are made to order behind the counter at the time of sale. Delis sell cold cuts by weight and prepare party trays. In addition, they also offer

made-to-order green salads. Equally common is a selection of prepared pasta, potato, chicken, tuna, shrimp, or other variety of “wet” salads, displayed underneath the counter and bought by weight or on a sandwich. Precooked chicken, shrimp, cheese, or eggplant products are also found frequently, though they do not constitute the mainstay of an American deli.

In Europe, the deli has a rather different meaning; it designates top-

## To the basics

To begin with, we asked Rushina Munshaw Ghildiyal, a widely-travelled gastronomy writer and consultant and also a food enthusiast to explain the deli retail concept.

“Typically, a deli is where one goes to buy small quantities of luxurious foods – cheese, antipasti, cured meats etc – usually by weight,” she says. “Globally, delis are synonymous with edible delicacies or fine foods. These could vary in offerings from a little as meats / and or cheeses to a comprehensive line up of artisanal and exclusive products including but not limited to confectionery, fine spirits, wines, exclusive cheeses, truffles, pâté, caviar, foie gras, high quality coffee beans, exotic ingredients, exclusive sweets, gourmet cookies,



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quality (and top-price) foodstuffs. None of these usually sells those take-out foods that are characteristic of North American delis; in Europe, American-style deli food is provided largely by fast food outlets.

Ghildiyal's definition is based on her international experience. As with almost all food retail formats, the deli as seen in India can be defined in various ways. Many supermarkets and hypermarket chains in India offer deli counters within their premises, but almost each is different.

Viney Singh, managing director, Max Hypermarket India Pvt. Ltd., observes, "The deli is a relatively new idea in India. However, exposure to western lifestyles and food habits has led more and more urban Indians to become aware of the concept. The closest thing to a deli was found earlier in five star hotels in the country and that too, at only a few of them. A trend is now beginning as manufacturers are acknowledging the subtle changes in the Indian palate. Due to this, Spar stocks a blend of imported and locally produced products to cater to varied customer tastes."

So, can the deli as it is defined globally, be localised for the Indian marketplace?

"Well, there are no Indian delis at the moment, although there are a few companies that are trying to promote this concept. A deli could

be defined as a standalone concept counter offering cured meats, the range of which includes lamb, pork, chicken, turkey and beef in different forms and flavours," says Singh.

Mayank Tandon, general manager – food services, Future Group, agrees that while the deli as a concept is relatively new to India, it offers enough promise for retailers to invest in it. To popularise it at Food Bazaar outlets, Tandon engages in encouraging customers to try the products and accordingly purchase them. "Since the deli concept is alien to many consumers, most customers like to taste the products before buying them. At Food Bazaar, we encourage frequent sampling of the products. Also, since a number of customers try cheeses, cured meats etc. for the first time, they do have a lot of questions. Our service staff at the counter is trained to answer specific questions about the products," he elaborates.

"In India, wherever possible, most customers like to experiment with a finished product before taking it home. Having a live sandwich/ salad counter with an option of choosing from a variety of breads, cold cuts, meats or cheese in a sandwich or roll is an effective idea to promote deli products. These items then in turn can be sold at a counter next to 'live section' for the customer to take home," he adds.

## To suit the taste of customers in India, tweaking the original deli format is not an unknown phenomenon.

To suit the taste of customers in India, tweaking the original format (as accepted globally) is not an unknown phenomenon in the country. Menus at the Indian outlets of global foodservice chains such as Kentucky Fried Chicken, Pizza Hut and McDonald's bear testimony to this fact. How does this trend translate to the deli offer? Explains Anirban Banerjee, AVP - retail, and head - Godrej Nature's Basket Limited: "We have tweaked the (deli) concept at Nature's Basket to an extent. Quite a few chicken products, which are

more Indian in characteristics and taste, have been introduced at our deli counters over a period of time. Items such as 'kebab cuts' and 'tandoori cuts' are some of such localised offers."

Banerjee underscores the fact that allowing customers to try the products first is critical. "Recognising the Indian consumer's behaviour, we offer regular sampling of the products at our outlets," he says.

In terms of popularity, chicken ham, spicy chicken, spicy chicken sausages, *kebab* cuts, tandoori cuts and curry cuts along with ready-to-cook / tandoor marinated chicken products are top of the list, according to Banerjee.

At Spencer's too, the deli has been customised for the Indian palate. Samar Singh Sheikawat, vice president, marketing, Spencer's, shares, "The product mix for our deli has been designed as per the expectations of Indian consumers. For instance, Indians prefer chicken meat sans the skin rather than with skin; therefore, our deli chicken assortments are always sans-skin products. We focus more on cocktail sausages and regular sausages instead of hot-dogs, brutwursts and frankfurters, which are more westernised, *masala* salami with white pepper instead of mortadella in black pepper and olive flavour, skinless smoked/ baked bacon instead of with-skin bacon, chicken breast loaf as sandwich filler instead of chicken lean meat etc." According to Sheikawat, these



At HyperCity, a customer can experience the look and feel of an international deli counter.

customisations are working well with Indian customers and are becoming more popular by the day.

Referring to the deli as it should be, Ashutosh Chakradeo, head – food and grocery, HyperCity Retail India Ltd. explains, “A delicatessen or deli as it is popularly known, mostly sells cold cuts, cheese, fresh olives, antipasti products, prepared meat and fish, confectionery, salads and even freshly prepared sandwiches. Most delis offer service over the counter and their products are also sold by weight.” At HyperCity, according to Chakradeo, a customer can experience the look and feel of an international deli counter; most of the products they offer are also close to what one can expect internationally. “But”, he quickly adds, “we do offer added items such as Indian sweets and snacks to provide a local flavour.”

### Deli diversity

Giving a brief walkthrough of the deli counter at Food Bazaar, Tandon shares, “Our Gourmet Food Bazaar deli section at Select Citywalk in New Delhi is one of our larger deli set-ups and offers a variety of speciality breads, rolls, cheeses (both imported and Indian), sausages, cured and smoked meats. A live section for

preparing fresh salads and sandwiches has been incorporated where the customer can choose the ingredients and create his or her own salad or sandwich. In addition to frankfurters, sausages, shaved meats etc., we also offer a wide range of breaded, tandoori and ready-to cook meats at this section.”

At HyperCity, the range includes cheese, olives, Indian sweets and snacks, confectionery, cold cuts and prepared meat and fish products. Adding novelty, HyperCity also offers fresh *paneer*, *lassi* and butter milk along with meals, sandwiches, juices and salads. Adds Chakradeo, “Internationally, the deli stands for luxury food; however, in India, a deli would exist as a combination of luxury, imported and local foods.”

At Nature’s Basket, the availability, according to Banerjee, includes global fine foods as well as domestic favourites. “Delicatessens in many parts of the world often sell foods such as cured meats, sausages, hams, liver, salamis and other cold cuts, chicken, spare ribs, cold salads, dips, breads and olives,” he explains. “At Godrej Nature’s Basket, apart from all the regular deli products available internationally, we also retail exclusive cheese, pâté, caviar and foie gras. We have also added lamb cuts, kebab cuts, curry cuts and Indian marinated

chicken products. Our food specialists / consultants at the counters are more than willing to help the customer in deciding to choose from the wide range.”

Talking about acceptability of deli counters, Tandon says, “We have only recently begun installing deli counters across our stores. This section is still not very popular with the masses, but is fast gaining acceptance. It still remains ‘niche’ at this time.”

### Mixing it up

From the above revelations, it is evident that the deli in India also looks set to mould itself around the unique Indian sensibility. Sharing her experience, Ghildiyal says, “I have shopped at delis in some of the world’s gastronomic capitals, and loved the experience, tasting a bit of this, sampling a morsel of that, looking at seasonal specials, planning a meal entirely based on small amounts of speciality foods sourced from a deli. While Indian deli counters do offer some exotics fare and it is great to have access to a wide variety of fine meats and cheeses at such counters, really, they are a long, long way from the real thing.”

Ghildiyal, however, concedes that elements of the deli experience

are available at some retail outlets. She adds, “Some of the larger outlets house antipasti sections that allow sampling and purchase by weight of various Mediterranean antipasti olives/ vegetables in oils with various flavours, but then these stores are so crowded, with so much happening that the counters are scattered and all of this does not allow one to savour the experience.”

On the most effective Indian deli product mix, Tandon believes that chicken-based shaved meats (pork and beef have limited offtake due to religious reasons) would be popular. “Indians also like smoked meats. A mix of variety of cheeses (non-pungent ones and fresh cheeses like mozzarella/ flavoured paneer etc.), speciality breads, olives, pre-made salads, sandwiches and pre-packed ‘sides’ such as baby carrots, gherkins, variety of dips etc. Tandoori specialities such as seekh kebabs and chicken *tikkas*, which can just be heated and served, have also started featuring in the Indian deli mix,” he adds.

Incidentally, Nature’s Basket’s Banerjee rates *tikka* as an essential in the Indian deli product mix.

On a macro level, most retailers agree that the assortment and offer would need to be tweaked subtly from catchment to catchment.

“The mix would really depend on the immediate catchment area of the store. Clients for Spar’s Koramangala deli range from NRIs, expatriates and cosmopolitan Indians in the SEC A+ to A categories who have the exposure to and knowledge of such a concept and its offerings. A possible effective mix for an Indian deli could be a blend of chicken- and turkey-based items supported with imported ham and salami-based offerings,” says Singh of Max Hypermarket.

In terms of popularity, at Food Bazaar, chicken sausages, franks and tandoori products in addition to fresh mozzarella and non-pungent cheeses are doing well. Sharing the hot picks at Nature’s Basket, Banerjee says, “Chicken product sales are dominant. However, ham, bacon and sausages because of their ready-to-eat qualities and taste are also popular picks.”

At the Spar delis, all products are moving well, but the locally-produced chicken products move a tad faster, according to Singh. He



At Gourmet Food Bazaar, consumers get the opportunity to taste the products beforehand.

attributes this trend to the cost differential – locally produced chicken items are slightly cheaper than the imported variants. However, we do have a lot of expatriates who come to us especially for imported foods.”

Referring to the higher sales of sausages at Spencer’s delis, Sheikhat says, “Chicken sausages, salami and pork ham are moving fast. Chicken sausages and salamis are increasingly featuring in breakfast menus at urban Indian homes and also as starters in cocktail parties. Pork ham is being consumed as sandwich fillers.”

### Backing the deli

A niche retail format, as the deli is currently in India, would involve considerable homework and investment in assortment planning,

sourcing and servicing. From the manpower training to the kitchen capacity, infrastructure has to be managed on several fronts.

Briefing on the kitchen capacity, Tandon shares, “The equipment needs can vary depending on the set up. For instance, if the shaving of meats and making of speciality breads happens on-site, the equipment required would range from an oven to cooling racks and a processing area. However, for a typical deli section one sees in a modern retail space the area required is about 200-500 sq.ft where refrigerated display counters for meats and a meat and cheese slicer are used.” On Food Bazaar’s average customer conversions, Tandon says, “In a food & grocery-only store, the deli section contributes about 2.5 to four percent of the overall sales.”

## The assortment mix of a deli store depends on the immediate catchment area of the store.

Besides deep freezers and chillers, Nature’s Basket delis have meat slicers, cheese cutters and other equipment as part of the regular accessories of the section. “Average footfall on a weekday for the deli section specifically would be between 150-200 at each of our stores, with over 85 percent conversion. Weekends would see a much larger turnout,” Banerjee informs. The Nature’s Basket deli staff includes specially trained food consultants/specialists culled from five star hotels, hotel management institutes or those with relevant experience in a similar format.

Average conversion at Spar, according to Singh, is about 25 percent on weekdays and 80 percent on weekends.

Elaborating on the staff orientation for a deli counter, Chakradeo says, “Each associate goes through an elaborate food safety and hygiene training programme. Extensive care is taken to ensure hygienic conditions; all associates use caps, gloves and aprons while working behind the deli counters. A monthly hygiene audit is also conducted to ensure compliance and standards.”

This particular kind of training is necessary as the concept is still in its initial stage. Explains Sheikhat, “Customers are excited about this category; for many of them consumption of deli products is a new experience. So they have lots of queries about the products, their origins, content *et al.* Interaction and involvement between the customer and the counter staff is very high. As

for conversions, our delis are converting almost 55 percent of the footfall in the fish and meat section.”

On the contribution of delis to overall store sales, Nature’s Basket attributes a share of 20 percent to the former. Spar and Spencer’s deli sales would be anything between one to 1.5 percent of cumulative store revenues.

Detailing the USP of the deli section at Food Bazaar, Tandon says, “Unlike in the western world where raw meat images/ smoked meat blocks are popular in deli sections, we focus on cooked meat images in the visual treatment of our deli section. This is in keeping with the fact that a number of customers coming to our stores are vegetarian and would find the sight of raw meat/ block pictures highly unappetising.”

At Nature’s Basket outlets also, deli sections are segregated and accessed by a separate door. “Air curtains and ventilation ensure no mixing of odours. Strict hygiene and temperature checks are maintained while handling the products,” Banerjee says.

To generate more footfalls at their deli counter, Spar thought it was best to place this particular section at the entrance of its stores.

As is evident, the deli format is yet to define itself in the Indian context. Clearly, customer education holds the key to its proliferation; each retailer/ investor will have to spend and engage its resources to induce customers to explore, experiment and be acquainted with the universal appeal of fine foods. ■

### Adding the artisanal

Since the concept is new to the Indian market, the scope for innovation is immense. According to Rushina Ghildiyal, product knowledge particularly needs immediate attention.

Elaborating on ‘what is missing’, she says, “There is a huge lack in variety as well as quality. There are a handful of importers in the market, who in turn import a handful of offerings. Consequently, you will see the same products wherever you shop. And when I say that there is a lack of quality, I do not mean that what is available is of inferior quality, but that what we get here are mass-produced commercially-made products. Delicatessens bring an element of the artisanal to the table, and in the format currently displayed, even if a product is of the highest quality, you would not know.”

“Another thing I miss – and it will take a lot of dedicated training and investment for that to be inculcated into this retail format – is the human interaction. When one shops at a deli counter there is an element of chemistry between the two sides; the person behind the counter is usually educated in the wares he is selling or may have made them himself and exhibit some pride in them. He encourages sampling, and can discuss the products and serving suggestions and accompaniments to the shopper, helping them decide on what to buy. Forget chemistry, in India, there is a basic lack of education on the products. But, to be fair, these are early days.”

Sharing a personal experience, she says, “On one occasion I found a store displaying an Italian product (Zampone) sliced up for tasting on the cold cuts section. Now, Zampone is actually something that requires boiling prior to consumption and is most certainly not a cold cut. The people who man the counters have a rudimentary (if any) knowledge of the products they sell, and no understanding of them. Sometimes they cannot even pronounce the name of the product. This is not a reflection of them as people, but it certainly is an issue that the stores should address. If one is unaware of what one is talking about one cannot be convincing. Retailers should have training modules for every product so that their staff can see, taste and get a feel of what they are selling.”

She concludes, “Artisanal and handmade products are an important feature of the deli experience. Fine products made in small batches that are full of flavour. The kind of stuff you can only get at that one place. And this does not necessarily mean that they have to be imported. A little creativity and research would yield many homemade products of Indian as well as global extraction – artisanal jams, cheeses, Indian pickles, even meats and spice mixes – that would enrich deli counters.” ■