

Mediterranean Foods Soar

by Dan Raftery

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'Healthy' profiles are producing healthy sales and spawning plenty of new products. (Crank up the refrigerated case stretcher!)

Sometimes it's tough for little guys to know where they stand in the land of giants. Take the Mediterranean foods category as reported by the big U.S. syndicated data houses – or not reported, at least as a recognizable category.

Since "Mediterranean foods" is really a type of diet, it includes many products across several categories. Hummus is broadly recognized for its role in the diet, but is only a blip on the big data radar screens. Accordingly, manufacturers mine their own data in addition to using syndicated sources. Dominick Frocione, vp of sales at Cedar's Mediterranean Foods, Inc., Bradford, Mass., taps his DSD records to see what is and isn't selling on a store-by-store basis. He notes that "growth continues to be double-digit," and sees no end in sight.

His reasoning is simple. "It's always been a healthy category and many retailers are now giving it more space," says Frocione. "Some are drawing attention to the products by merchandising them together and highlighting the healthful aspects of the Mediterranean diet."

Rick Schaffer, exec vp of sales and marketing, Tribe Mediterranean Foods Co., LLC, says "Sales are through the roof. Everyone is up, with the category showing over 30% gains." He credits the gains to new items, including the new "garnished products," i.e., hummus with ingredients such as pine nuts placed on top and not completely mixed in.

Frocione points to his own Italian heritage and observes "Chick peas are not new. I grew up with them as did people in other ethnic groups such as Hispanics." He believes hummus is now hot for three reasons:—The category has been "Americanized." The soft and creamy mouthfeel of newer spreads has proven more appealing in the U.S. than the traditional, thicker texture of hummus.

—Flavor profiles have been improved and continue to change in concert with consumer tastes. For example, according to Frocione, new blended flavors such as artichoke/spinach and jalapeno/water chestnut are now hot.

—Packaging has become more visually appealing. Most manufacturers interviewed for this article credit Sabra with the clear-top packaging innovation that unveils

the product and generates sales.

Pita bread is one product type whose sales have flattened, in part due to a number of new wraps in Mediterranean foods. Wrap flavors such as garlic pesto, red pepper, sundried tomato/basil, spinach and southwestern have come from manufacturers such as Cedar's who "look at the market to see what's hot" according to Frocione.

Manufacturers in this category look at specific ethnic group flavor trends to develop new Mediterranean food products. For example, various pepper blends are targeted to Asian or Hispanic segments. New products are expected to continue expanding the SKU count in Mediterranean foods, especially among the salad offerings. Look for lentil salads, taboule and presentas to be offered soon, if not already available in the local market.

Promote 'Healthy'

The best promotions for Mediterranean foods highlight their health benefits. "U.S. consumers still buy from their wallet, with little regard for their health," observes Tom Bozadzis, CEO, Tassos Epicurean Cuisine, Novi, Mich. "We need to educate the public about the goodness of Mediterranean foods," he advises.

Bozadzis, a chemical engineer by profession, points out challenges in changing people's habits. "U.S. consumers mostly use these products on holidays or for special occasions," he observes. "They know a little about the advantages of eating simple foods, but need to know that the benefits accrue over time. People in Mediterranean countries eat this diet every day. That's why they are healthy," he says.

Stores can pass the message through signage highlighting products with omega-3, for example. Bozadzis also suggests posting brief articles from health magazines or from well-known nutritionists such as Dr. Andrew Weil. On-line options include links to popular articles such as the one that appeared on March 3, 2008 on "AOL Body." In the article, titled "11 Ways to Slow Aging," the benefits of omega-3 were touted in "Eat Fish," one of the 11 ways.

Manufacturers suggest grouping Mediterranean products together in a recognizable ethnic merchandising destination. That also improves the chances of being able to post in-store messages where shoppers will see them.

Hummus marketers have long pitched their products as a healthier alternative to sandwich condiments such as mayonnaise. Schaffer expects more attention will be focused on this application because Tribe's four pound bucket has shown big

growth with foodservice distributors.

Part of Tribe's growth formula involves expanding usage occasions. "Two-ounce products have a double appeal," according to Schaffer. "First they are controlled portions and second, they are immediately consumable." Taking a cue from the foodservice sector, where their 48-pack has been well-received, Tribe just rolled out a four-pack of two-ounce single-serves for retail in the four top flavors.

Schaffer notes that hummus shows a slightly higher sales lift in summer months, likely due to its portability. Look for continued attention to usage occasions for Mediterranean foods party trays beyond the typical holiday season and Super Bowl events.

Stephanie Rogers, speaking on behalf of Sabra Blue & White Food Products Corp, says "We believe that educated consumers are migrating from dips and spreads that are less healthy." She adds that "the potential seems limitless" for new product flavors.

"Families are discovering that hummus is a great complement to other healthy foods (like vegetables) to snack on during the day or to have 'micro-meals' with smaller, healthier portions," according to Rogers. She also believes that market potential is vast.

"As of last year," says Rogers, "household penetration is only 5.5%." She observes that the conversion rate from trial to purchase is very high for hummus and recommends in-store sampling as the best way to promote it.

Line Expansions

Manufacturers interviewed for this article appear to be gearing up for large line expansions this summer to meet increased consumer demand for Mediterranean foods and to expand household penetration of this product line. It seems fair to say that retailers who prepare their refrigerated cases will see healthier sales from these healthier products.

S I D E B A R

Group Formed to Promote Med Diet

No, it's not Club Med. It's the Mediter-ranean Foods Alliance (MFA) — a non-profit group dedicated to advancing scientific understanding of the Mediterranean Diet, educating people about it and helping consumers find and choose Mediterranean foods via the Med Mark packaging symbol.

MFA was established by Boston-based Oldways, the non-profit food issues think tank that developed the Mediterranean Diet Pyramid 15 years ago. The Med Mark packaging symbol (www.mediterraneanmark.org) was launched a year ago and now appears on more than 100 food items meeting strict quality standards. Sabra Go Mediterranean is a founding member of Med Mark, which expects the number of products bearing the symbol to triple by year's end.

Membership in the newly formed MFA is open to makers or importers of Mediterranean foods, as well as trade associations with education programs about these products.

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