



Growth in take-away - how to best integrate self-service elements

What makes self-service concepts successful in the out-of-home sector?

How can traditional bakeries benefit from this trend?

.First of all, the good news: The out-of-home market is growing well. There are opportunities for bakers, on the one hand through growth in the average customer spend, and even more so through reaching new customer groups. Classic bakeries can certainly profit from the current popular self-service concepts. But what is the difference between a pure self-service bakery and a classic bakery with a front counter? And how can both approaches be combined? For maximum success, the GA-Trendagentur examined various self-service concepts and bakeries and has gathered the findings and insights here.

A recent scenario. Münster, Germany on a Thursday about 11.30am in a purely self-service bakery: There is a hive of activity, the bakery is full of customers buying snacks, rolls, breakfast pastries and hot and cold drinks. The employee stands at the end of the counter and is working through the queue at the till. About

half of the customers take their purchased products away and the rest consume them on the premises and leave the store again after around 15 minutes. Most customers appreciate the reasonable prices and the chance to warm themselves up on cold days. A totally different picture emerges when one goes to a classic bakery at the same time: the front counter is very busy here too but more often than not the employees recognise the people on the other side of the counter and know what the regular customers want. While two employees are occupied in selling the wares, a third employee is preparing breakfasts and custom-ordered rolls according to the customer wishes. A queue has formed as some customers have special requests for their snacks. Some waiting customers leave the store without buying anything - obviously it is taking too long for them.

The Queue Issue. The GA-Trendagentur has recognised this behaviour in various classic bakeries with front counters. It even goes as far as customers often assessing the queue as they enter a classic bakery and deciding whether it will take too long or not to wait. Usually this does not apply to coffee shops as customers are used to waiting more than five minutes for their freshly prepared drink and snack.

In self-service bakeries, the impulse to leave without buying anything is also low as the shopping behaviour is more akin to that in a supermarket: The tray with rolls, snacks and coffee works in the same way as a shopping cart. The “shopping” is laid out in front of you on the tray and with one glance at the tray of the person in front of you, you can estimate the waiting time. At the till, the customers queue patiently and accept that they will have to wait. They do not expect surprises such as special requests of other customers.

Customer loyalty is important. The customer loyalty that is so important in the bakery industry hardly exists here between the customer and the employee: Even though the same type of staff is found in a self-service bakery, the customer-consumer relationship is

rather distant and confined pragmatically to the purchasing process. In comparison, the classic front counter bakery scores through personal contact and building a closer relationship. Customers feel valued if the employees on site remember their shopping behaviour. This proximity to customers offers some opportunities but pushes the limit in terms of time. Too long conversations reduce the average hourly output, the yardstick for successful sales. Another observation: When the personal conversations between the employee and the customer become too long, other customers in the queue react negatively. Some prospective customers even leave the store without buying anything as they do not have enough time and do not feel appreciated.

Integrating self-service for a happy medium.

So how can you bring all of this together? One solution may be the integration of a self-service concept in a classic bakery as the efficiency of a self-service bakery can be combined with the customer proximity offered by a classic counter. Generally speaking, salads, desserts, individual snacks and drinks are suitable for this purpose. These should be available during every rush hour, so every morning between 7am and 9am as well as during the lunch period between 11.30am and 2pm.

The following seven tips should be kept in mind for the individual product ranges.

1. Salads: Classic creations such as mixed green salads with ham, cheese and well as Italian and Greek versions with olives and feta cheese are usually top sellers. Creative salads with interesting ingredients complete the classic green salad range and especially attract target groups up to 50 years of age. The salad dressings can continue to be packaged separately in the refrigerator or be integrated directly into the packaging. The separation of the salad components prevents early mixing too early and keeps the individual elements fresh.

2. Cold pasta and beans, lentils and peas. Cold pasta salads are the perfect complement to green salads in the refrigerator. The most

common varieties are fusilli with pesto and vegetables, for example sun dried tomatoes. Experiments with flavours are also welcome here - ingredients like walnuts, Parmesan but also classic cocktail tomatoes sell well. Potato salads, meatballs and the like are not recommended for integrate self-service concepts in classic bakeries as these products tend to be sold mostly in gas stations, fast food restaurants and in traditional gastronomy. Legumes, however, are trending. For example, lentils and peas, which can be combined with bulgur or buckwheat. Bakers can prove real competence in modern self-service ideas in this area. A full counter whets a customer's appetite - this is true for self-service counters and well as those in classic bakeries.



3. Desserts: Quark creams with fruits and rice pudding prepared with sugar and cinnamon or fruits, are common milk-based desserts which can be offered. Different fruits are often sold together in a mixed version with large pieces. Grapes and oranges are mostly combined with pieces of grapefruit but also apple, melon and kiwi. In contrast, sweet products such as donuts and raisin buns only have limited sales success in classic front counter bakeries and are therefore not recommended for an integrated self-service concept. These products are more likely to be found packaged in the bakeries of supermarkets and gas stations.



Fruit and dairy products sell well in self-service concepts. Simple plastic tubs allow the products to be taken away easily and displayed in the unit.

4. Sandwiches and snacks: Many attempts have already been made to market savoury snacks in the self-service variety. In gas stations, there are the well-known sandwiches from the refrigerator, cut diagonally in triangles and sold in plastic packaging. German bakery customers however prefer the classic variety and, as a result, these packaged sandwiches often remain on the shelves unsold. This theory is also confirmed in self-service bakeries where the unpackaged snacks displayed behind acrylic flaps sell best. Customers have a hard time understanding how such acrylic flap displays fit in integrated self-service concepts in classic front counter bakeries, however. For this reason, it is advisable to put only a selection of snacks in an open refrigerator and to keep selling the classic snacks from behind the counter.



The only snacks which make reasonable sales in the refrigerator are wraps and “Stullen” - simple filled sandwiches. Although wraps had their heyday over five years ago, they are still a very popular refrigerated self-service snack for calorie-conscious and particularly female consumers. The wrap best-sellers are vegetarian varieties and those filled with turkey or tuna. For simple sandwiches, a range of vegetarian, turkey and salami fillings is also recommended. Tip: Wraps and simple sandwiches should be wrapped in paper and cut across so that the filling is visible. Don't save at the wrong end here and skimp on toppings - generous fillings whet the appetite of customers. The snacks should be placed in resealable plastic packaging in the refrigerator. Compostable packaging is in trend at the moment, especially those made from corn starch. They are visually indistinguishable from conventional see-through packaging. Do not forget to uphold the statutory minimum requirements for labelling of packaged goods.

5. Cold Drinks: Home-made spritzers are popular, especially during the summer months. The varieties to include are apple, cherry, rhubarb and elderflower (as a cordial). Freshly squeezed orange juice is more in demand in the winter months. The hype around ice teas has already faded a bit but they still belong in the range of products. The GA-Trendagentur analysis showed that home-made varieties with fresh mint were the best-sellers. To differentiate their stores from gas stations, smart sales managers choose prepared ice teas from unknown brands that do not belong to the mainstream. Generally speaking, you

should aim for niche brands even if it's often difficult to avoid some well-known brands. Trendy drink brands in Germany are still Fritz and international players such as Franklin & Sons or Fentimans. Highly popular drinks from these brands include soft drinks like Ginger Beer, which up until now was rather unknown. Attempts to sell milkshakes and the like via the self-service refrigerators were had only limited success, unlike in foreign countries.



Drinks belong in every store but some sell better than others. It depends on the choice of brands.

6. Hot Drinks. Another trend from overseas is to have a coffee vending machine as an additional self-service element. The self-service fully-automated coffee machines have a screen approximately 50cm by 80cm on which the intuitive operation is supported by short video clips. So, for example, each step in the preparation of a cappuccino can be followed: First the espresso, then the preparation of the milk and finally the milk foam. The clip and the individual steps including the sounds are timed exactly to the actual steps. From the perspective of the GA-Trendagentur, this is a clever method to bring people closer to the machines in the somewhat slow vending business. Young target groups in

particular have hardly any hesitance in using vending machines, as long as they have a modern design and are equipped with large displays. Payment should be possible either with cash or with contactless and other payment cards. Supplementary coffee vending machines are suitable for stores with high customer traffic, for example in train stations, in pedestrian zones but also in industrial and service areas with a high proportion of offices.

Vending machines allow the automatic preparation of coffee and save working time.

7. Service articles: Service wagons are essential, customers can help themselves to sugar, milk, take-away cup lids, napkins, cutlery and stirrers. Those wanting to convey a high standard of quality in their self-service concept should supply stable recyclable plastic cutlery. So that customers can dispose of their teabags, stirrers and other refuse, a trash hole can be integrated into the service wagons. These work better than the typical rubbish containers still found on the tables in Germany and these are often full and quickly give an unhygienic impression. Customers today expect well-stocked service wagons as well as biodegradable napkins and cutlery.

Good luck! You can find more information in the GA-TrendBOOK 2017 + X at www.ga-trendagentur.com