

Eat. Shop. *Love.*



Food retailers are adding full-service dining to their stores, to regain the “romance of food.”

By Steve Kaufman, Contributing Writer



Groceries are upgrading the in-store dining options in their markets. In St. Louis, a new United Provisions store offers a European-type strolling boulevard with counters and bars. It's integrated into the food market so both have maximum visibility.

“LET’S GO HAVE DINNER AT THE SUPERMARKET.”

That’s not something you hear very many American consumers say. But a new hybrid concept with a cutesy hybrid name may change that.

It’s being called a “groceraunt” – part retail store, part dining establishment – and it’s a new weapon in the food retailing wars.

It’s a logical progression, says Nick Giammarco, creative principal, retail strategist at Studio H2G (Birmingham, Mich.), a design firm with extensive food retail experience.

“Americans love to shop, to cook and to eat,” Giammarco says. “We’re at a time when desire for authenticity, freshness and quality are high. It reflects a total alignment of social trends: health-consciousness, sustainability, education, travel and, not least, exposure to food preparation on television.”

However, Giammarco points out, for supermarkets, it can be challenging. “The traditional supermarket



ABOVE *Innovative Wegmans has developed several dining concepts. Next Door has a team of chefs preparing a full menu of sustainable and organic sit-down meals.*

INSET *The restaurant is literally connected, but with a separate entrance to serve non-shoppers who just want to eat.*

became driven by what makes sense or saves money,” he says. “Over the years, they ceded the ‘emotional’ part of food retailing to the specialty retailers.”

BEYOND MARKETING

It also requires a particular set of skills supermarkets don’t always have. “We’ve realized that we’re really good at marketing food, but serving, cooking and creating memorable experiences is a different business,” acknowledges Ken Pray, director of store design for The Kroger Co. (Cincinnati).

In January, Kroger named Daniel Hammer as vp, culinary development. He was hired away from H-E-B Grocery Co. LP, the innovative San Antonio-based chain, where he had been director of product development.

Under Hammer’s watch last year, H-E-B opened a

new store in San Antonio’s upscale Stone Oak neighborhood, a concept that included a full restaurant, bar and lounge called Oaks Crossing. It’s an expansion of an in-house café the retailer launched in Austin in 2013.

Others are experimenting, as well. Whole Foods Market (Austin, Texas) began offering full-service bars in its stores a few years ago, an idea that has since been expanded to 110 of the retailer’s 406 stores.

In Chicago, the retailer is adding in-store dining options to seven former Dominick’s locations it has acquired. In the Lincoln Park neighborhood, near DePaul University, they’ll have a second-floor bar and seating area, a prepared-food section and touchscreen ordering.

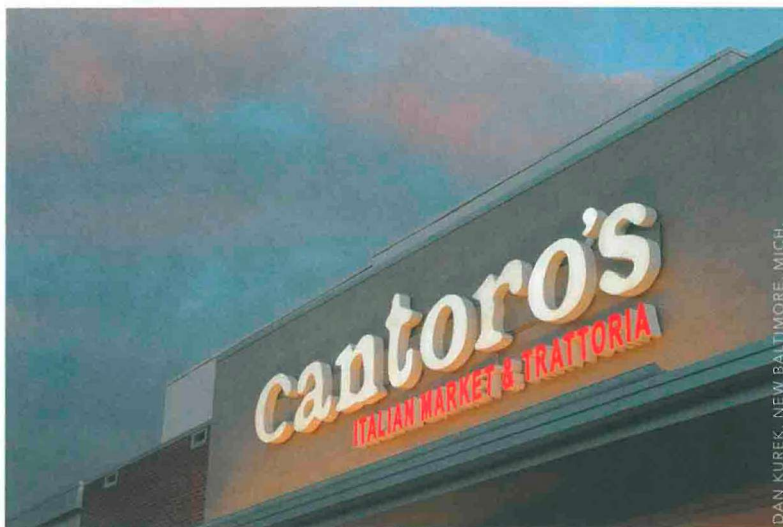
Wegmans Food Markets Inc. (Rochester, N.Y.) has also developed several concepts. Next Door bar and

RIGHT Another of Wegmans' concepts is Amore, an Italian restaurant and bar connected to a Rochester, N.Y., supermarket.

BELOW Cantoro's, a well-established Detroit-area specialty market, opened a newer, larger second location with a full Italian trattoria that wafts tempting sights and smells into the food store.



COURTESY OF WEGMANS FOOD MARKETS INC., ROCHESTER, N.Y.



DAN KUREK, NEW BALTIMORE, MICH.

grill is an organic food offering adjacent to one of the retailer's Rochester, N.Y., stores. Amore Italian Restaurant & Wine Bar is connected to another Rochester location. The Burger Bar and The Pub are featured inside various Wegmans stores in Pennsylvania, Maryland and New York.

THE INDEPENDENT'S EDGE

As is often the case, smaller independent local food retailers, with the flexibility to experiment, have produced some of the best examples of the new shop-and/or-dine trend.

Cantoro Italian Market is a 50-year-old, family-

owned specialty food store in Livonia, Mich., known throughout the Detroit area for its genuine Italian merchandise and, especially, its fresh-baked breads. Last year, it opened a second, larger location in adjoining Northville with an attached full-service restaurant, Cantoro's Italian Market & Trattoria.

"There are a lot of diverse restaurants in this corridor, but not a lot of authentic Italian offerings," says John Fallon, a partner in the family-owned company, referring to the suburbs west of Detroit. "We felt our reputation would support a high-quality dining experience."

Though the restaurant has an entrance from the market and an open kitchen visible from the store, designer Giammarco says it was intended to be a separate destination point. Not that it isn't intentionally integrated with the store; its open kitchen is visible to grocery customers, enhancing the senses of sight and smell.

"The two components leverage one another," he says. "If customers regard the market as a place of quality and freshness, they'll try the restaurant. If they have a good dining experience, they'll likely return and shop in the market."

In St. Louis, STJ Franchising LLC, a family business that has operated the successful Global Foods Market and several separate restaurants (including St. Louis' first Thai restaurant), was asked by Washington University in St. Louis to open a street-level grocery store



Roche Bros., the regional New England supermarket chain, has created a kit-of-parts dining concept for various locations, based on the neighborhood and demographics. In a quaint part of Medfield, Mass., it's a retro diner in what was an old mom-and-pop department store, layering warmth, familiarity and craftsmanship, and the slogan "Eat. Drink. Be... Local."

on the Delmar Loop neighborhood in University City, where WUSTL is developing student housing.

"In addition to the student population, the busy neighborhood also has a lot of young single professionals, multiple ethnicities and a lot of pedestrian sidewalk traffic," says Peter Tao, founding principal of the Tao + Lee Associates Inc. (St. Louis) architecture and design firm, "However, it has always lacked a grocery store."

What began as an attempt to make the new United Provisions store interesting and memorable turned into a decision to have a separate dining component – what Tao calls a "culinary experience."

"What evolved was a European market model called the 'dining district,' a long strolling boulevard with various stops along the way – a deli counter, sushi bar, raw bar and coffee bar, plus a café with its own street entrance," Tao says. "In that respect, it emulates the shopping experience of an urban lifestyle, where you can casually drop in for a bite to eat and pick up a few things while you're there."

"The area is one of the premier pedestrian-friendly neighborhoods in St. Louis," says Shayn Prapaisilp, vp of United Provisions. "There are plenty of people who walk and bike here, and they appreciate the ease and convenience of a small grocery."

But a small grocery with a high-end, international dining option became the real attraction. There are a lot of restaurants on this street, but not a lot of grocery stores," says Prapaisilp. "So if we were going to appeal to people, we had to offer more than just 'grab-and-go' hummus."

Appealing to people – it's becoming foremost again in the food retail industry.

"This is a country romanticized by food," says Giammarco, "but retailers haven't always taken a romantic approach. Supermarkets had essentially become warehouses, meeting necessities rather than aspirations."

The restaurant equation could change that thinking. "Perhaps now they'll transition from being merchandise distributors to being dream merchants," he says. ▽