

Slow food

the italian way

With a focus on high quality in locally sourced products, Eataly stores are a combination of restaurant and experiences, joined together in spaces inspired by the traditional european food markets.

After opening its 30,000-square-foot store in Turin, Oscar Farinetti opened the first one in New York in 2010 and an even bigger store three years later in Chicago. Thanks to the spectacular success achieved by Eataly, plans are underway for a second store in New York, as well as openings in Boston, Washington DC, Philadelphia, London, Hong Kong, Moscow, Paris, Rio de Janeiro, Sydney, Mexico DF and Toronto, among other large cities. All of them will be added to the 16 points of sale Eataly already has in Italy, and the 11 stores in countries such as Brazil, Japan, South Korea, Germany, Turkey and the United Arab Emirates.

Farinetti is an entrepreneur who has based his growth on powerful ingredients and the creation of a brand that goes beyond the simple consumption of Italian food. Starting from a simple business model, it created a chain that differs substantially from the competition by focusing on the quality of all the products with which the food is produced.

His company joins the movement called "slow food", created by Carlo Petrini, whose philosophy aims at the protection of food biodiversity, strengthening the links between producers and consumers, and promoting some of the most urgent issues affecting the current food system. Essentially, the movement states that through knowledge of the origin of food, as well as how it was produced and by whom, adults and children can learn to combine pleasure and responsibility in their daily decisions, and appreciate the cultural and social importance of food.

Eataly brings together several values of the Petrini movement, but combines them with others to ensure the profitability of the business and the relationship with all the stakeholders involved in the production chain. The brand has defined a 10-point manifesto that reinforces corporate values and generates a promise for its customers (see box further below).

In the Beginning

Eataly's first venue was inaugurated in Turin, Italy in January 2007. Oscar Farinetti envisioned a place to celebrate good food, and set up a productive, commercial and distributive system which is responsible, sustainable and common to all participants in the Italian gastronomic tradition.



Oscar Farinetti

Many of the foods offered at Eataly are organic, but the biggest challenge lies in shortening the distance between products, from the farm to the market and the consumer. The transport logistics solution took a significant amount of the three years of planning before Eataly hit the market.

Farinetti converted a vermouth factory in Turin in the first Eataly location, easily accessible through the Lingotto underground station. According to the New York Times, the premises can be described as a megastore that combines elements of an open European market, a Whole Foods-style supermarket (the U.S. chain that specializes in organic food), a high-quality food court, and a learning centre of the "New Age".

In the original store in Turin, the main floor consists of several different areas: a butchery specializing in certified Piedmontese beef, a bakery with a wood oven for pizzas and bread, a huge section of cheeses with an underground ageing room, cured meats, fresh fish, pasta and vegetables. Each sector is supervised by an expert and has an informal restaurant with the ingredients of that sector. On the ground floor there is a pub offering



Eataly Turin

Administration, but at age 24 he quit his studies to participate actively in the family business. In fact, he began to manage UniEuro, the business founded by his father, which became one of the great electronics companies in Italy. Between 1978 and 2003 he was responsible for opening 150 UniEuro points of sale, which he decided to sell to devote his full attention to the creation of a new venture. After a thorough development of the business concept, he became the founder and president of Eataly, and also the General Director of the Fontanafredda winery.

Due to his principles and convictions,

Farinetti is recognized by many entrepreneurs of the field as a Renaissance man. A businessman, but, above all, also a philosopher.

a wide selection of artisan beers, a wine and tapas bar, and a full service restaurant with a sitting capacity for 50 diners. Artisanal food of about 900 Italian producers fill the shelves of the store, and 12 supplying companies - in which Farinetti has invested or has acquired - were enlisted as partners. Most of the products have explanatory cards, and almost half of the three-level store is dedicated to educational activities: a computer centre, a library, and rooms for cooking classes and tasting seminars.

From UniEuro to Eataly

Oscar Farinetti was born in 1954, in an Italian town called Alba. He attended the University of Turin, where he began to study Economics and Business

Eataly NY, from the Inside

The company venue in New York is based on the idea of simplicity. A bold concept that cuts across the entire brand, and emphasizes that simple food makes people eat better food. He has his own strategies to do business, but receives support from his partners in Italy. "At the end of the day, what we're basically doing is sharing our love for Italian food and culture," says Emily Ripp, Education and Events manager of Eataly in New York.

The space invites you to experience and share the principle that good products are what define good food. In theory, the idea seems simple, but Eataly has more than 10,000 products that have been specially selected. For that reason it took about seven years to locate and integrate the hundreds of small producers who now display their products in stores. And many of the foods that, for example, are sold in Eataly New York, can not be found anywhere else.

The store houses 300 cheese specialties, all Italian. The charcuterie, specialized in the marketing of pork and its by-products - cold cuts and sausage -, is 90% Italian, while the rest is from the United States because it was not possible to import them. The proposal not only aims to make the public appreciate the most iconic brands in Italy, but also to discover and enjoy the highest quality products of small producers.

Another secret of Eataly's success was its application of the Italian way of life to the work environment. "One of the most challenging aspects of my work has



WHO INVENTED THE NAME?

The Eataly brand was created by Celestino Ciocca, a strategic branding consultant with the experience of having worked for Texas Instruments and Ernst & Young, among other important companies.



A STRIKING FACT

Eataly generates annual profits of US\$ 80 million, and every day 10,000 people visit the store. It is the third most visited place in the city, after the Empire State and Metropolitan Museum of Art New York.



been to adjust to Italian philosophy. They suggested me to try to make everything perfect and to dedicate most of my time to details, but that I should let Italian flexibility act on some situations. Changing that perspective is a daily effort. In addition, it is not easy to handle staff members who are elder than me, because Eataly is a very young, very dynamic company.

Our team stands out for the energy, and several of its members are more experienced than me, therefore leading them or showing them how to face a new challenge is also a challenge for me” admits Ripp.

Kellen Hamrah, project manager at Eataly in the United States, says that the importance of his role lies in the management and execution of ideas that arise from partners. He affirms that everyone wakes up with a thousand ideas in their heads, and they want to implement them immediately in the next store. It is he who is in charge of choosing them, developing them and finding the best way to make them come true. Alex Saper, director of Eataly Operations in the United States, explains that his responsibility is to make sure the business runs smoothly: “Ensuring that people are happy to work in their stores, and that food continues to exceed the quality standards promised by the brand. That is the key in order to continue to expand year after year.”

Saper describes that his typical day starts around 8 AM. After reviewing a countless number of e-mails he takes a coffee, and tries to figure out how to solve some of the drawbacks that usually come up.

A Great Experience

Farinetti was a pioneer in the growing tendency to educate people about the food they consume. His obsession with the quality of the raw material is a fundamental part of his venture.

MANIFEST

- 1** WE'RE IN LOVE WITH FOOD. We love high-quality food and drink. We love the stories about it, the people who produce it, and the places it comes from.
- 2** FOOD UNITES US ALL. Good food brings all of us together and helps us find a common point of view. We believe that one of the greatest sources of joy is what happens around the family dinner table.
- 3** OUR PASSION HAS BECOME OUR JOB. We've dedicated our daily lives to promoting a real understanding of high-quality food and drink. We are lucky we get to do what we love.
- 4** THE SECRET TO QUALITY OF LIFE LIES IN THE QUALITY OF THE PRODUCTS WE EAT AND DRINK. By creating and offering the best products, we improve our own lives and bring added value to yours.
- 5** OUR TARGET AUDIENCE IS EVERYONE. Whether you're here to buy a loaf of bread, prepare for a lavish dinner, or sit down to enjoy a meal, we want this to be your place. We want you to be comfortable, happy, and that you leave the store enriched by the experience of every visit.
- 6** EAT. SHOP. LEARN. This is a store with stories and experiences.
- 7** WE'RE IN THIS TOGETHER. What you choose every day determines what we'll stock on our shelves over time. When you demand quality products, you support the work of local farmers, fishermen, butchers, bakers, and cheese makers.
- 8** OUR THREE PROMISES TO YOU ARE:
 - Choice: We offer a diverse selection of quality food and drink.
 - Accessibility: We are dedicated to offering the best products at the lowest possible price.
 - Knowledge: We feel that it's not just important that we know everything about what we sell. We share with you the stories of the people and places behind each product we offer. The more you know about what you are consuming, the more you enjoy it.
- 9** YOUR TRUST IS EARNED EVERY DAY. In all ways, we promise to be scrupulously honest. We'll never encourage you to buy more than you need or spend more than you can afford.
- 10** THE END GOAL. Our goal is to have you as our customer for a lifetime. The easiest means to that end is to offer the best food and drink, as well as the best environment in which to discover and expand your tastes.



The business model is based on the fact that each store is unique and independent, usually placed in old buildings. But there is one rule to follow: Customers must consume quality food in all of them. In other words, it is not only a question of eating a quality fish, but also the salt with which it is cooked, as well as each of the ingredients that make up the dish, respect the same standards.

Since the important thing is to guarantee the quality of the food and at affordable prices, Eataly offers a variety of products that cover different needs and consumption possibilities. The idea is that anyone can experience something at the store. Being a strong brand that attracts many people, not only in the United States but in many other countries, the marketing strategy focuses primarily on generating events in stores. The consumer experience is the goal. The company does not invest in traditional marketing actions, but it allocates part of its budget to digital marketing strategies.

The Peach Theory

The success achieved by Eataly New York gave way to a global expansion plan. The final goal, estimated by the company, is to have between 75 and 100 locations in the main cities of the world.

The growth of the brand cannot be separated from the charisma and creativity of its founder. Farinetti preaches, directly and indirectly, the questioning of the status quo. “We must constantly question the origin of food,” he says. Make sure you are an educated consumer who understands what you buy, because you may not think twice when deciding on a \$ 100 jean, but when paying \$ 6 for a packet of pasta you should. And this is a problem in all societies. Those who focus in the superficiality of the body and spend a lot of money on clothes, for example, should be more aware that what is important is what they incorporate to their bodies: food.” Farinetti says that when he develops a new project, it is as if it were a peach. The comparison is illustrative because, in both cases, the process could be separated in three instances: the pit, the flesh and the skin. The pit represents

the target. The flesh is the experience you want to provide to your customers. And the skin is embodied in the marketing operation of each store. “When we decide what peach to buy we analyze the skin,” he explains; But what we will actually eat is the flesh, and if it were not for the pit it would be impossible to continue eating it. ”

Farinetti recalls the goals set 10 years ago for Italy: first, create jobs for people; which should be the priority of any employer. Second, recycle physical spaces to avoid unnecessary construction that ends up reducing virgin land. Third, celebrate the Italian biodiversity in the world. And fourth, give the opportunity to more people to eat better. “Because if they eat better, they will live better,” he concludes. ▶

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