

Consumer Food Trends™



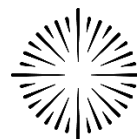
June 2020

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Technomic®

Consumers & Their Needs

Consumer Sandwich Trends

Natalie Barone

Analyst, Consumer Insights

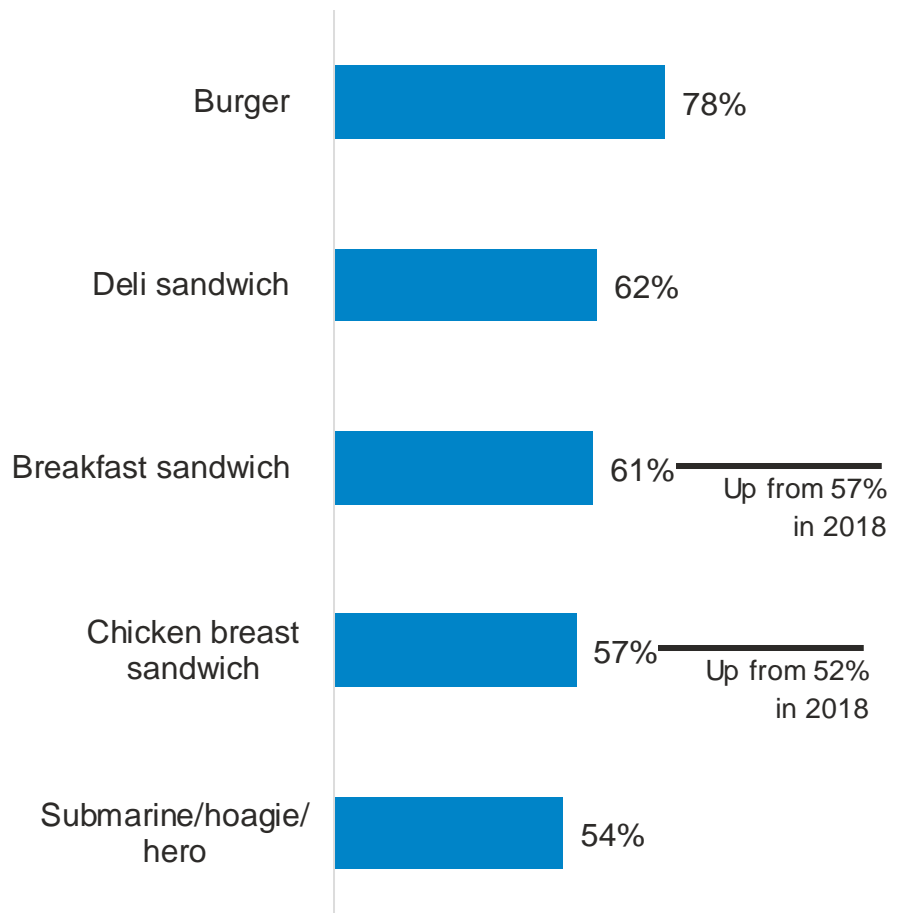


Sandwiches are a main staple in consumers' diets, both at home and away from home. While the sandwich category faces challenges with fierce competition and high at-home sandwich consumption, there are still opportunities for growth in foodservice.

Breakfast Boom

Technomic's *2020 Sandwich Consumer Trend Report* finds that consumers are purchasing breakfast sandwiches more frequently on a monthly basis and specifically during the weekdays. This increase could be in part due to the increased availability of breakfast sandwiches as various chains have rolled out new breakfast menus or expanded their breakfast hours. As chains continue to expand breakfast sandwich options, operators can stand out by incorporating their signature ingredients and flavors into these offerings. While the coronavirus pandemic has altered foodservice breakfast occasions, sandwiches remain a strong portable option for off-premise occasions.

How often do you typically consume the following types of sandwiches at a foodservice establishment? (Once a month+)



Base: 1,350 consumers who eat sandwiches at least once a week
Source: Technomic 2020 Sandwich Consumer Trend Report

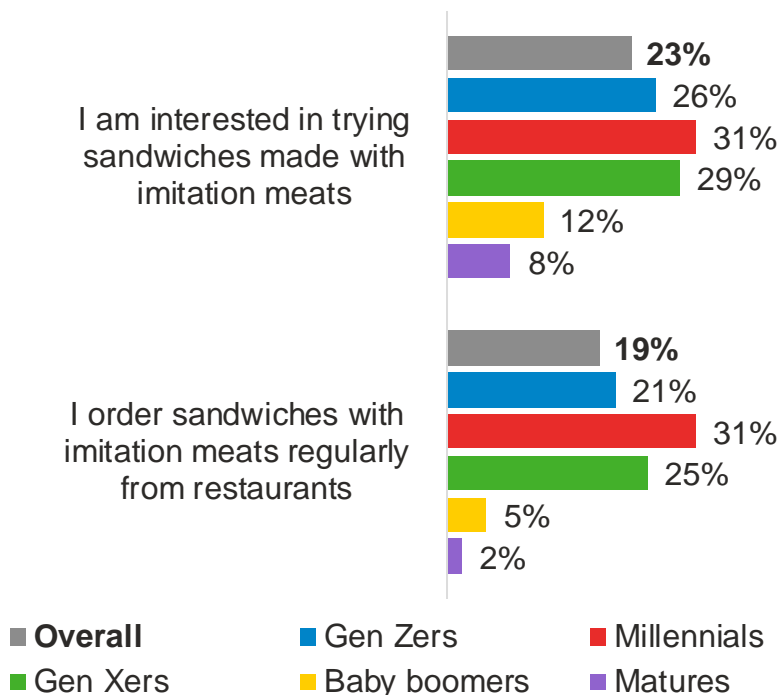
Plant-Based Proliferation

Plant-based and imitation-meat sandwiches continue to show up on chain menus. Interest in just trying imitation-meat sandwiches is higher than consistent consumption, so operators will need to consider how to position these options to be successful in the long term. While imitation-meat burger patties are the most familiar and widely available, operators are expanding with fried chicken and breakfast sausage alternatives to capitalize on the unique draw of these items.

Takeaway

While sandwiches remain a diet staple for many, innovation is key for sandwiches to stand out among the competition. Innovation can be added in a variety of ways and does not have to reinvent a brand. Operators and suppliers should work together to consider the ingredients and trends that will help their brands and sandwich items innovate successfully. Staying on top of consumers' shifting demands is key for operators to maximize traffic and stay ahead of the competition.

Percent of Consumers Who Agree and Agree Completely



Foodservice Happenings

Pizza Chains Play to Their Strengths During Pandemic

Charles Winship

Manager, Consumer Insights

Many of the menu trends that have emerged during the coronavirus outbreak have focused on a few key aspects of this new normal: consumers are mostly stuck at home; families are looking for affordable meal solutions; and consumers crave comfort foods in times of uncertainty. Data from our recent *2020 Pizza Consumer Trend Report* suggests that these trends are creating a particular opportunity for pizza restaurants, as pizza has long been considered a product that holds up well for off-premise orders, is easily shareable and is

highly craveable. Here, we'll take a look at how pizza brands are innovating to double down on these strengths to drive sales during COVID-19.

Packaging & Portability

Even before the coronavirus pandemic, pizza chains were making investments in their packaging, such as Pizza Hut's test of a new pizza box, with an emphasis on portability, quality and sustainability, to improve the guest experience for to-go orders. Now, the pandemic has added another layer to this

trend, with pizza chains offering tamper-proof packaging solutions to emphasize safety.

Family-Sized Portions

In the eyes of consumers, one of the advantages of pizza over other items is portion size and, relatedly, shareability for group occasions. As consumers are staying home with their families, pizza brands are highlighting their value proposition for groups and adding specials that convey value through shareable portions.

Speaking to Safety



Pizza Hut added tamper-proof packaging labels to ensure customers that their meal is untouched.



Domino's advertised that pizzas aren't touched after baking to speak to safety.

Value Through Portions



Papa Gino's offered Pasta Platters, a special that highlighted cost per person.



Ledo Pizza rolled out a Family Feast Deal bundling pizza, wings and salad.

Traditional Pizza Ingredients Trending on Top 500 Menus

Provolone

+8% at LSRs
+6% at FSRs

Pepperoni

+4% at LSRs
+1% at FSRs

Marinara

+22% at LSRs

Ground Beef

+5% at LSRs



Little Caesars debuted the Pepperoni Cheeser Cheeser, which capitalizes on the popularity of classic pepperoni and cheese pizzas in a novel way.



Papa John's Papadia have helped increase check average, as the company reported Papadias are often purchased in addition to pizza. The folded flatbread leverages classic and familiar pizza ingredients but is served in a unique format.

Craveability

Pizza is simply one of consumers' most-craved foods and is currently resonating as an indulgent comfort food. As such, innovation among operators is highlighting more familiar and craveable flavors that consumers know and love over totally new, unique items that price-conscious consumers are hesitant to try. These new pizzas are capitalizing on consumers' preference for classic toppings and playing into the craveability of core pizza ingredients like cheese, pepperoni and crust. Continuing to drive cravings through innovation will be critical as pizza chains look to hang on to the higher sales they are seeing during the pandemic.

Takeaway

While portability, portion flexibility and craveability have been advantages for pizza concepts, operators should acknowledge that the coronavirus has encouraged other brands to alter their offerings to better compete for takeout, delivery and group occasions. As such, pizza concepts may need to continually innovate to fend off new competitors and remain top of mind for these at-home occasions.

Source: Technomic Ignite menu data, Q1 2018-Q1 2020

Trend or Aberration?

Sophie Son

Research Analyst, Consumer Insights

Restaurant Robots

The unprecedented disruption brought on by the coronavirus outbreak continues to boost focus around new technologies focused on consumer safety. One example of this is the forthcoming Dbot, a catering robot created by Macco Robotics to minimize human-to-human interaction and keep dining establishments sanitized. The Dbot consists of a mobile base on wheels that uses machine learning to navigate inside a restaurant. Different modules, such as beverage holders, cold storage trays and disinfectant sprayers, can be attached to its base, advancing the machine beyond a simple delivery bot.

Data from Technomic's *2020 Future of LSR Consumer Trend Report* shows that cleanliness is taking on a new dynamic, with more than two-fifths of fast-food (43%) and fast-casual (43%) consumers looking for restaurants to place a greater emphasis on store cleanliness during the coronavirus outbreak.

Sanitation Staff

As lockdowns ease and dining rooms begin to reopen nationwide, brands have introduced new roles to enforce updated sanitation guidelines. For example, Pizza Inn has created the position of Sanitizer

Captain, an employee tasked with upholding new cleaning and sanitation standards. In addition, Sweetgreen also introduced a dedicated concierge stationed at entries to ensure safety compliance.

Branded Face Masks

In response to CDC recommendations around using cloth face coverings in public settings, many restaurants are now selling masks marked with their brand's logo on their websites. Branded face masks can help enhance the connection between restaurants and their customers. Further, with some brands matching each mask purchase with a donation, consumers can contribute to reducing risks not only for themselves but also for front-line workers. For instance, brewer DC Brau sells branded masks on their website and, for every mask sold, one is also donated to a restaurant worker in the region.

Technomic's *2020 Future of LSR Consumer Trend Report* found that 43% of fast-food consumers and 46% of fast-casual consumers would like restaurants to respond to the coronavirus outbreak by monitoring employee health and offering testing if necessary, pointing to an emphasis on employee welfare.

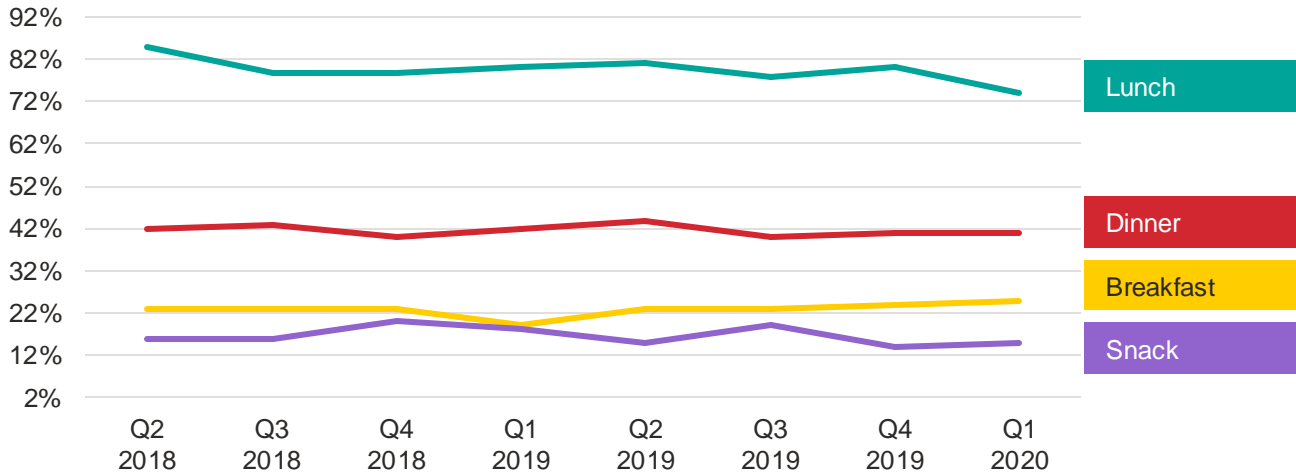


The Dbot by Macco Robotics has swappable modules to deliver food and drinks, as well as disinfect dining areas.

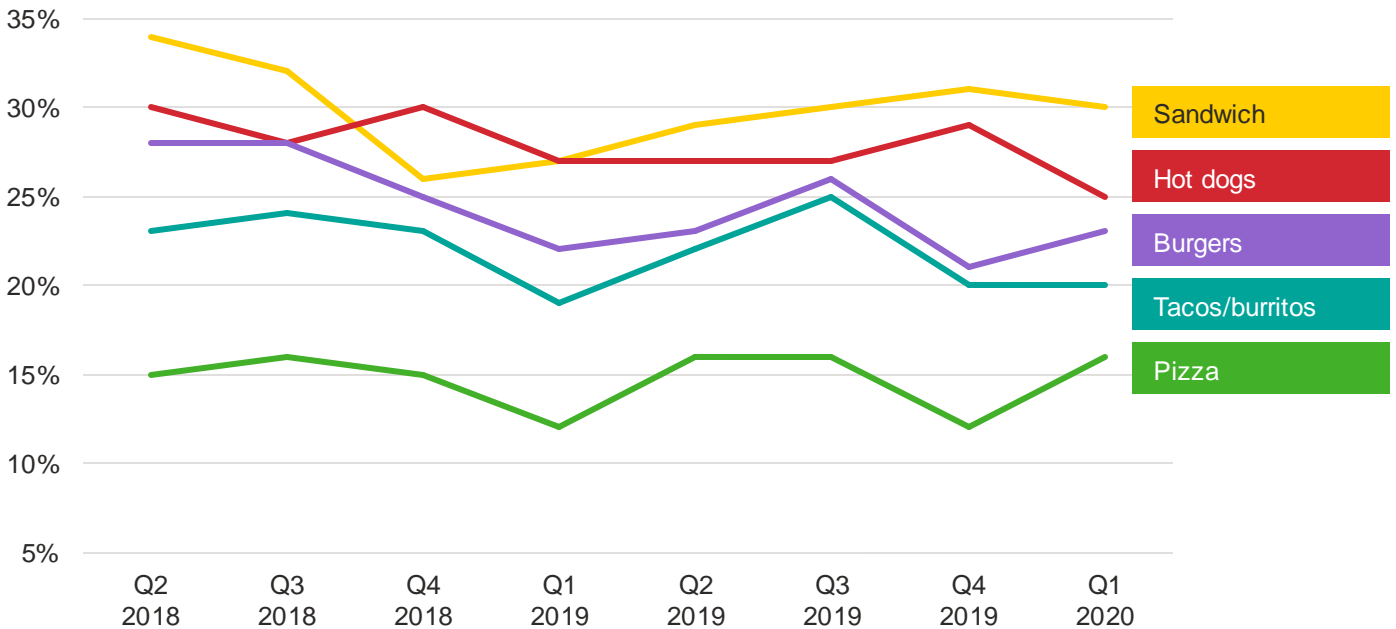
Consumer Trend Tracker

Consumer behavior and attitudes tracked across time

Consumption of Sandwiches by Daypart



Percent of Consumers Who Choose to Order the Following Items Because They Are Easy to Eat on the Go



Source: Technomic online consumer survey, approx. 890 consumers per quarter; base varies by item

Q: When you consume the following foods, for what meal or occasion do you typically consume them? Select all that apply for each food.

Q: When you purchase the following foods/beverages instead of another item from a restaurant or foodservice location, what are your primary reasons for doing so? Select up to five reasons for each item.



Technomic, Inc. prepares Consumer Food Trends™ six times a year to assist food industry professionals in gaining early insights from a variety of research and events that shed light on consumer perspectives on food, menu and taste trends. Annual subscriptions are available at technomic.com. Comments are welcome.

Natalie Barone, Research Analyst, Consumer Insights

Charles Winship, Manager, Consumer Insights

Sophie Son, Research Analyst, Consumer Insights

Kristin Menas, Editor

Teri Schroeder, Director, Design

Norma F. Nieves, Design Associate

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Since 1966, we have produced in-depth research focused on the foodservice industry.

We provide insights into consumer, industry and menu trends in the U.S., Canada and 23 countries around the world. Our team of experts helps leaders in the industry make complex business decisions, set strategy and stay ahead of the curve.