



DINING OUT:

Translating Dining into the Grocery Aisle

As we approach the two-year mark of the pandemic, it's clear that the dining and the food and beverage industry have been fundamentally changed. While there are still challenges ahead, innovators have also found ways to push the industry forward and find solutions that work for both brands and consumers. From new ways of delivering your favorite restaurant meals to giving diners the customization and comfort they crave, restaurants are leading the way in trends that can carry over to the grocery space with new flavors, formats and innovation through culinary inspiration. Read on to see where your brand can find flavor and product inspiration in the dining space!

WHERE WE ARE NOW

When Covid-19 vaccines became widely available in the first half of 2021, many in the restaurant industry rejoiced, believing that a rebound was inevitable. However, with the arrival of the Delta variant, that rebound quickly slowed and many safety precautions had to be reinforced or kept in place. Diners' comfort with restaurants wavered, with one Mintel report finding that between June and August 2021, there was a nine percent increase in people thinking that Covid would disrupt their lifestyle.

In these complicated times, limited-service restaurants thrived, while their full-service counterparts struggled to stay afloat. The difficulties are exacerbated by the Great Resignation, a time during which 40 percent of US workers are rethinking their career. The labor shortage, as well as rising operational costs, will likely damage the industry's recovery. As such, concepts that allowed restaurants to prepare and serve food safely will be essential to the future of dining.



CONSUMER DINING CONCERNS

- 29% of consumers definitely avoid eating out
- 37% of consumers are nervous but still eat out
- 35% of consumers have no concerns whatsoever

- DATASSENTIAL



Mintel predicts that “serving consumers at home will remain relevant even as the pandemic fades. Innovations such as ghost kitchens and meal kits will continue to expand as the industry operates with fewer workers and restaurants cater to the new class of remote workers.”

-MINTEL



WHAT MATTERS TO DINERS



Dining right now is all about value, but “value” doesn’t just mean money- -it means what the dining experience brings to people’s lives. How else can dining experiences provide value?

Exclusive Experiences: Pop-up restaurants are a hit with diners and 47 percent of diners are interested in delivery-only pop-ups.

Limited-Time Options: Fun flavors and new items that are only available for a short time are inherently valuable to diners, a trend which can easily be applied to the grocery aisle.

Premium Ingredients: Diners are interested in premium ingredients and willing to pay for them, with 77 percent of consumers indicating that it’s worth paying more for the highest quality red meat.

Social Equity: The increasing interest in sustainability and employee welfare makes restaurants and brands that highlight these things more valuable to diners. Similarly, sustainably and ethically sourced foods can find success in the grocery space.

These factors for value can be opportunistic for food and beverage developers as well – innovative flavors to seasonal and limited-time offerings, premium and sustainable ingredients and more, food and beverage developers can follow these dining trends to find success for their brand.



“Going forward we know that consumers will be prioritizing the experiential value of all leisure and commerce endeavors, while also prioritizing a level of convenience and flexibility. Restaurants will need to adapt their compelling, unique experiences to suit multiple physical spaces – in and out of the restaurant – while still delivering high value.”

-MINTEL, DIY DINING



OFFERING OF NOTE:



THE LIMITED-EDITION EINSTEIN BROS. TEXAS BRISKET EGG SANDWICH featured slow-smoked beef brisket, cage-free eggs, cheese, and chipotle sauce on their new Jalapeño Bacon Gourmet Bagel, combining several dining trends including premium ingredients, limited-time offerings and sustainability.

WHAT'S WORKING

Despite the challenges of the last two years, restaurants and brands have found creative ways to connect with diners. Here are a few of the most successful methods.

Restaurant Recipes At Home

When diners weren't able to visit their favorite restaurants, those restaurants responded by making some of their most iconic recipes available to everyone, like the McDonald's Sausage and Egg McMuffin.

Meal Kits

People recreated the restaurant experience at home with meal kits, and they're eager to continue doing so even as things return to normal: 63% of consumers agree that restaurants should continue to sell meal kits after the pandemic ends.

Making Specialty Ingredients Available

Many restaurants turned their specialty items into options that consumers could purchase either at the grocery store or directly through the restaurant. "The growth of at-home cooking indicates opportunities for restaurant-created meal kits and restaurant-branded CPG products that allow consumers to enjoy their favorite foodservice flavors at home," Mintel reports.

Cocktails to go

Many states have permanently updated liquor laws to allow for to-go cocktails. And Mintel reports that 34% of consumers who drink alcohol will also order drinks for takeout or delivery. Restaurants should invest in premium to-go packaging and focus on recipes that transport well, as well as multi-serve drinks that consumers can share during a meal. Innovative flavors, packaging and formats can be translated into the grocery space.

PRODUCTS & OFFERINGS OF NOTE



MAKI MAKI'S AT-HOME SUSHI KITS

feature premium cuts of fish, fresh seasonings, sushi rice, and everything else you need to make beautiful rolls. A \$90 kit will feed two people and can be shipped across the United States.

Source: Homechef



CHICAGO COCKTAIL BAR TEAMED UP WITH BEVERAGE COMPANY BLUE BLAZER

for their bubbly bottled cocktail with mezcal, agua de jamaica, and lime, available at grocery stores across the city.

Source: Bevnet



HELLOFRESH SIRLOIN AND SHERRY SHALLOT SAUCE with garlic parm potato clusters and roasted green beans is described as an easy-to-cook meal kit with pre-measured ingredients and a recipe card. It can be ready in 40 minutes and contains two servings.

21% of consumers responded that they likely or definitely would buy this product

GENERATIONAL APPROACHES TO DINING

Gen Z

The Gen Z diner is all about digital, whether it's ordering through an app or being able to follow their favorite brands on social media. They expect customization options and want to be continually surprised with innovative approaches for engaging with restaurants, products and flavors.

Millennials

Millennials were the most likely group to have food delivered during the pandemic, and are the least sensitive to delivery fees. They're also the generation most interested in restaurant meal kits and virtual events. Offering bonuses for ordering directly through the restaurant or combining an at-home meal kit with a live cooking demonstration might appeal to these diners. Opportunity can be found in similar offerings in the grocery space.

Gen X

Gen X consumers are only moderately interested in at-home restaurant offerings, so brands should focus on the convenience of at-home restaurant options rather than their price. According to Mintel's, restaurants will fill a greater role in at-home dining occasions going forward, and 52% of restaurant consumers are interested in catered restaurant meals for social gatherings. To attract Gen X customers, highlight the ease and simplicity of catering options.

OFFERINGS OF NOTE



THE POKE BOWL CHAIN IN NEW YORK

has something for every generation: not only do they deliver their customizable poke bowls, but they also offer catering options that allow diners to choose from dozens of customization options like miso chicken, spicy tofu and BBQ pork.

Source: Poke Bowl NY



TGI FRIDAY'S LAUNCHED ITS GLOBAL BAR CRAWL MENU

allowing diners to taste flavors from around the world. Its Around the World with Dumplings menu item features flavors such as Korean Wasabi and Szechwan and Cajun-Fried dumplings paired with cucumber-wasabi ranch, BBQ ranch and Szechwan dipping sauces.

Source: Chewboom



MOE'S SOUTHWEST GRILL AT HOME FULLY COOKED FAJITA STYLE SHREDDED CHICKEN is described as tender white-meat chicken seasoned with chili, black pepper, oregano and garlic. The meal is microwaveable.

51% of consumers responded that they likely or definitely would buy this product.

AREAS OF OPPORTUNITY

Breakfast

The breakfast occasion in dining was altered by lockdowns and the disappearance of commuters. Now, with many still working from home, restaurants will need to offer something that diners can't replicate in their kitchens to lure them out of the house.

On the other hand, since 72% of consumers prefer to order menu items they can't easily make at home for breakfast or brunch, this is an opportunity for brands to bring restaurant-quality ready-made breakfast items into the grocery space.

Snacks

Snacks are perfect for brands looking to reach multiple demographics: 28% of Gen Z consumers have an afternoon snack every day, and the lower price range means that they're affordable for consumers with limited budgets. With many now facing economic uncertainty, Mintel notes the need for brands to create value-tier options for those consumers, making snacks an ideal vehicle for both flavor experimentation and accessibility. Snacks that are marketed as "seasoned" or "smoked," are flavor profiles that have seen significant growth in the last year.

Remote Workers

To reach the increasing number of people working from home, restaurants and the grocery space should consider creating offerings specifically developed to appeal to this group, such as take-and-bake lunch options. In fact, according to a Datassential report, 22% of consumers work or attend school from home.

Brands can also consider incentives such as loyalty programs with bonus points for ordering lunch delivery to entice consumers to order out.



In order to entice increasingly adventurous consumers, brands are turning to flavors that they may not be able or willing to try at home, especially those like roasted garlic and gorgonzola that can be easily incorporated into butters, sauces and glazes.

OFFERINGS OF NOTE



SWEET EARTH NATURAL FOODS GET CULTURED! FUNCTIONAL BREAKFAST BURRITO contains superfoods as well as probiotic cultures and offers consumers a restaurant-quality breakfast experience that they can simply heat up at home.

29% of consumers responded that they likely or definitely would buy this product.



AUNTIE ANNE'S DIY PRETZEL KIT

lets consumers recreate their favorite snack at home, with options to bake either the classic original recipe or cinnamon-sugar dusted pretzels in their own ovens.

THE TAKEAWAYS

Dining restrictions that forced restaurants to be creative with their options have led to several trends that we see sticking around long after the pandemic ends. Whether it's gourmet meal kits to create a special dining experience at home, or the interest in ready-made craft cocktails, plenty of what we're seeing in restaurants can be translated to the consumer product space. And as many consumers still find enjoyment in at home cooking, product developers can create offerings that give them the dining experience from home. Brands that lean into premium experiences, value (not just monetary!), innovative flavor offerings and customization will find an eager audience -- where does your brand fit in?

YOU DESERVE MORE. LET'S GET STARTED.

What does true partnership look like? You deserve a flavor partner ready to turn these trends into the tangible.

Let FONA's market insight and research experts get to work for you. Translate these trends into bold new ideas for your brand. Increase market share and get to your "what's next." Our technical flavor and product development experts are also at your service to help meet the labeling and flavor profile needs for your products to capitalize on this consumer trend. Let's mesh the complexities of flavor with your brand development, technical requirements and regulatory needs to deliver a complete taste solution.

From concept to manufacturing, we're here for you — every step of the way. Contact our sales service department at [630.578.8600](tel:630.578.8600) to request a flavor sample or [chat us up at www.fona.com/contact-fona/](http://www.fona.com/contact-fona/)

SOURCES

- Mintel
- Mintel GNPD
- BevNet
- Datassential
- ChewBoom
- Insider
- HomeChef
- Drink Blue Blazer
- Poke Bowl NY
- DIY Dining

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