

FOODBYTES

MAY 2016 | ISSUE 29 | YOUR FREE DATASSENTIAL TREND REPORT

PUT YOUR FINGER ON THE PULSE AND START STRATEGIZING

GO INSIDE
DATASSENTIAL'S
BRAND NEW
2016 PULSE REPORT
ANALYZING FIFTEEN
INDUSTRY SEGMENTS



1 IN 4

RETAIL DECISION MAKERS WANTS MARKETING ASSISTANCE FROM MANUFACTURERS

DATASSENTIAL 2016 PULSE REPORT

LSR

QSR

FAST CASUAL

FSR

MIDSCALE

CASUAL

FINE DINING

LODGING

CATERING

B & I

HOSPITAL

LONG-TERM CARE

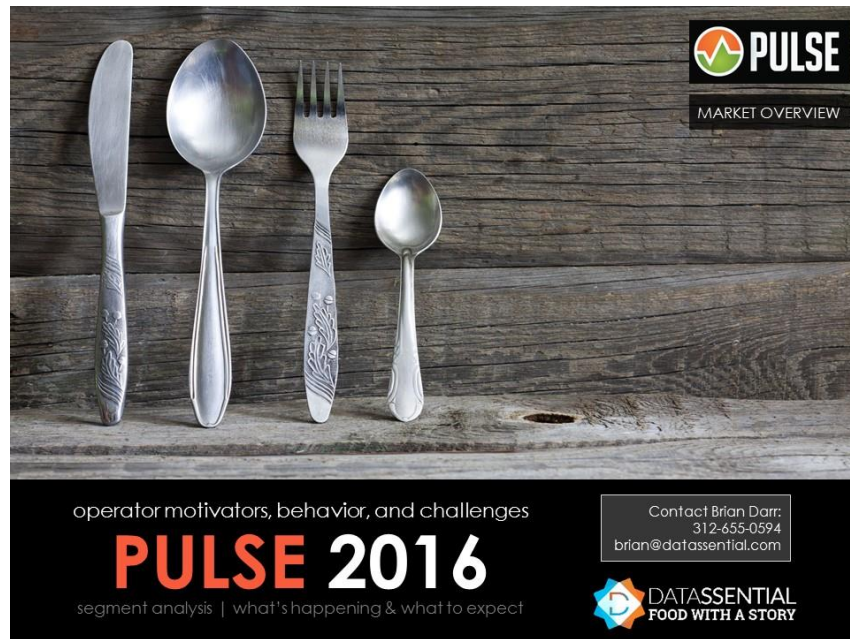
SENIOR LIVING

K-12

C & U

C-STORE

GROCERY DELI



KNOW THE BUSINESS. KNOW THE PEOPLE.

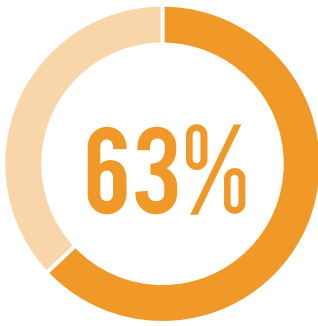
How do you keep your finger on the industry's pulse? How do you know which segments are most worried about food costs and which segments anticipate higher sales in the year ahead? How do you know who is driving the decisions – a chef, an owner, a purchasing manager?

A subscription to Datassential's PULSE service puts it all at your fingertips. Every year Datassential surveys over 1,000 foodservice decision makers to understand their motivations, challenges, and behaviors, so you can develop segment-specific strategies – after all, the needs and wants of a K-12 operator can be very different from a fast casual chain operator. This year's report is fresh off the presses, with over 400 data-rich pages analyzing 15 different segments – and we're giving you a **sneak peek at some of the findings** in the pages ahead.

Your PULSE subscription not only includes the full report, but it also includes both the **2015 and upcoming 2016 PULSE Topical Reports**, each covering four to six topics, plus our **Monthly Operator Sentiment Report**. Last year's PULSE Topical Report took you deep into topics like clean labeling, ethnic flavors, and commodity prices, and your subscription also gives you a say in the topics we'll cover for our 2016 Topical Report – what are the hot button issues that matter to you?

We also keep you in-the-know over the course of the year with our Monthly Operator Sentiment Report, delivered directly to your inbox every single month. We bring you sales and traffic indices to determine restaurant, on-site, and overall optimism values, giving you deeper insights so you can decide when and how to act.

PULSE is easily the most thorough set of foodservice operator metrics available in the industry. Subscribe today and arm yourself with the data and insights you need to accurately reach the segments that matter to your business. Call **Brian Darr** at **312-655-0594** or email **brian@datassential.com** and start your subscription today.



OF FAST CASUAL DECISION MAKERS ARE THE BUSINESS OWNERS

Decision maker titles vary by segment, which means their priorities also vary – an owner may have different considerations compared to an executive chef.

IN THE REPORT

See which job titles are likely to be the decision maker in every segment, from the foodservice director to the purchasing manager. We also look at decision maker demographics, including gender, ethnicity, and age, plus experience and culinary training.



38% OF MIDSCALE OPERATORS PURCHASE FROM LOCAL FARMS AND FARMERS' MARKETS

This is nearly on par with fine dining and far ahead of QSRs and fast casuals. We break down source usage by eight different types, from broadline distributors to club stores to cash & carry – and we also uncover which sources operators find the most appealing.

IN THE REPORT

See which ordering methods operators prefer the most and why they choose them, from sales reps to online, by segment.

OVER HALF OF C&U OPERATORS WANT CONSUMER TREND INSIGHTS FROM SUPPLIERS



C&U operators have a particular need for trends when deciding which suppliers to purchase from due to their consumer base – they are always looking to stay on top of the trends that young people are interested in. If you are targeting the C&U segment, ask about bundling PULSE with our recent C&U Keynote Report to truly understand every facet of this segment.

IN THE REPORT

See which segments want particular insights from suppliers, from consumer trends to flavor trends to overall industry and traffic trends.

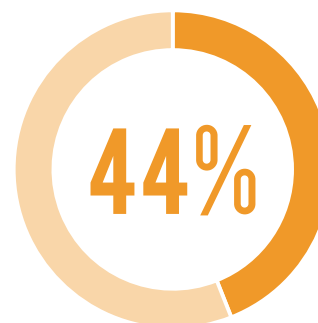


three-quarters of K-12 operators want **nutrition information/labeling** from suppliers

With the segment's ever-changing rules and regulations, it's not surprising that K-12 decision makers need help ensuring that the products they serve meet USDA standards. Segments can have very different needs from suppliers. Do you know which segment is more likely to want assistance with loyalty programs?

IN THE REPORT

Find out what motivates decision makers in every segment to make a purchase, from nutrition information to recipe ideas to industry trends. See which attributes are most important to decision makers broken down by job title – find out which positions are more likely to want online ordering compared to the positions that prefer an in-person sales representative. And find out what causes decision makers to try a new product – a free sample, feedback from customers, food shows?



OF OPERATORS OFFER CATERING

Catering works for many segments – it's the most universally offered service offered by operators. There is a lot of variation in the services offered by each segment – 77% of Business & Industry operators offer catering, while only 27% of Grocery Delis offer it.

IN THE REPORT

Discover all of the services that operators are most likely to offer, from waitstaff to open kitchens, vending to drive-thrus. Plus we break it down by segment – which segments should you target for buffets, 24-hour dining, delivery, etc.? We also dive into catering revenue and expected growth.



46%

OF RESTAURANT OPERATORS SAY THEY PLAN TO REBRAND OR UPDATE DÉCOR IN 2016

DATASSENTIAL 2016 PULSE REPORT

94%

OF SENIOR LIVING OPERATORS MAKE SOUP FROM SCRATCH

Depending on your product, your targeting and marketing strategy may be very different from one segment to the next – some segments may need more convincing to **switch** to a pre-made product, while others may **rely** on them.

IN THE REPORT

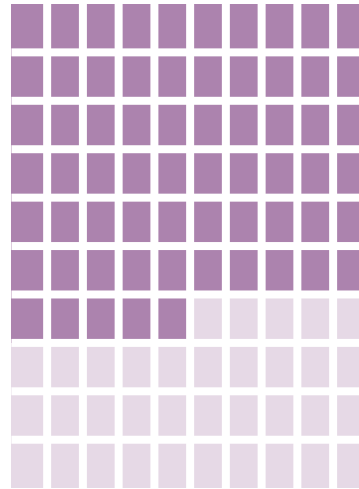
Find out which categories segments are cooking from scratch and which categories they use pre-made products for, like appetizers or desserts. We also dive into the type of equipment they use.



Concerns also vary widely by segment – which segments are more concerned with increasing repeat business, which are more concerned with attracting new business, and which segments are on the lookout for new dishes and menu ideas?

IN THE REPORT

Understand the industry's overall top concerns, from food costs to building check averages, plus segment-by-segment concerns. We also uncover operators' top challenges – are they more concerned with increasing customer traffic, offering something unique, managing labor costs...?



65% OF FINE DINING OPERATORS ARE CONCERNED ABOUT ACQUIRING THE FRESHEST INGREDIENTS

57%

OF CASUAL OPERATORS SAY INCREASED CHECK SIZES WILL DRIVE FUTURE BUSINESS

Some segments believe attracting new customers will drive their business in the year ahead, while others want to increase certain categories or expand dayparts.

IN THE REPORT

See what has traditionally driven past business from segment to segment and dive deep into expected sources of future business.



TOPICS COVERED IN THE 2015 TOPICAL REPORT

ETHNIC FOODS
& FLAVORS

LABEL CLAIMS &
CLEAN LABELING

COMMODITY
FOOD & PRICES

NUTRITIONAL
MENU LABELING

GPOS

PULSE topical report

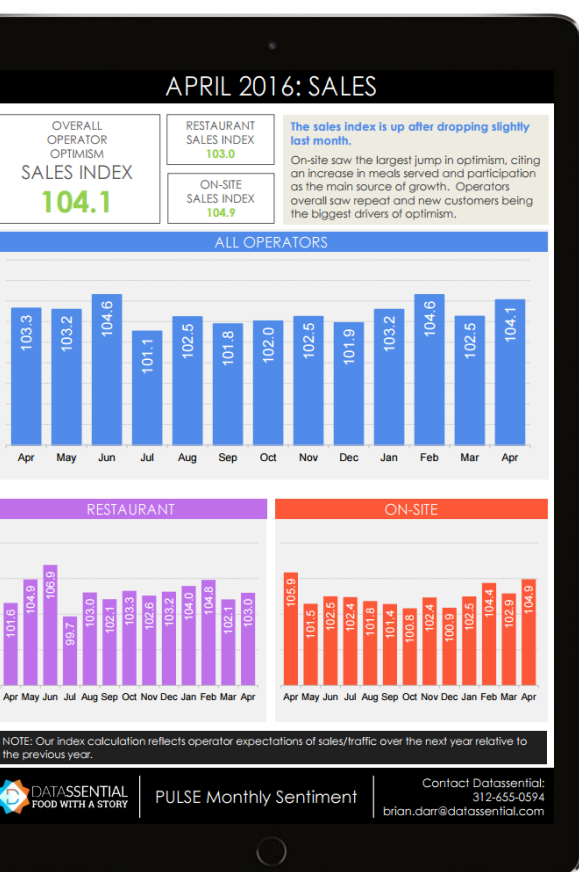
With your PULSE subscription, you also have a say in helping us select the topics for our 2016 Topical Report, and you have immediate access to the 2015 Topical Report. The PULSE Topical report keeps you in-the-know on the relevant "hot button" topics of interest to manufacturers and operators in today's foodservice environment, with data from over 500 operators across restaurants, on-site, and retail channels.



OF OPERATORS PLAN TO MENU MORE ETHNIC FOODS IN THE FUTURE

IN THE REPORT

See when and where operators think ethnic flavors work best, where they source their ethnic foods from, and understand brand preferences.



PULSE monthly sentiment report

Your PULSE subscription includes Datassential's Monthly Operator Sentiment tool, delivered directly to your inbox every month. This indispensable report gives you an insider's view of operator expectations using two key business metrics: sales and traffic. This not only gives you a detailed look into the health of the industry, but is also an essential tool for business planning, helping you understand what operators expect in the coming year.

104.1

CURRENT OPERATOR
OPTIMISM **SALES INDEX**

105.2

CURRENT OPERATOR
OPTIMISM **TRAFFIC INDEX**

UNDERSTANDING THE INDEX

A value above 100 indicates operators expect their situation to improve. Sales and traffic indices were both up in April.

Get To Know & Understand Foodservice Operators

Put your finger on the pulse of operators and develop a deep understanding of the industry. Your annual subscription provides three actionable reports...

● 2016 Market Overview

Over 400 data-rich pages with detailed analysis across 15 segments.

● 2016 Topical Report

Current subscribers help us select the topics we cover in the 2016 Topical Report.

● 2015 Topical Report

Topical issues covered in 2015:

- Ethnic foods, flavors, and ingredients
- "Clean label", all natural products, etc.
- Food and commodity prices
- Nutritional menu labeling
- Group purchasing organizations (GPOs)

PLUS, every month delivered directly to your inbox you get our Monthly Operator Sentiment to help you keep tabs on industry optimism.

Your go-to planning and strategy tool

What can you learn from your PULSE subscription?

- Who is most worried about food costs.
- Which segment is dominated by female decision makers.
- Where are non-alcoholic beverages expected to drive future sales.
- Who anticipates the highest growth in sales next year.

SUBSCRIBE TODAY

for \$12,500

Included in your subscription are the 2016 Market Overview Report, both the 2015 and upcoming 2016 Topical Report, plus our Monthly Operator Sentiment Report.

Plug into the industry's most thorough set of foodservice operator metrics. Stay ahead of the curve on sentiment, behavior, and future intent.

SEGMENT-SPECIFIC INSIGHTS

BUSINESS FACTORS

- Operator Objects
- Operator Challenges
- Unmet Needs
- Perceived Competition
- Business Motivators
- Food & Beverage Equipment Used

OPERATION PROFILE

- GPO Usage
- Services Offered
- Dayparts Offered
- Sales by Daypart

OVERVIEW

- Units & Sales
- Reflections & Predictions
- Anticipated Growth Rate
- Defining Characteristics
- Leading Chains

FORMATS & PREP

- Scratch Usage Overall
- Culinary Skill
- Scratch Usage by Menupart
- Reasons for Scratch Prep
- Reason for Using Premade Products

COST CONSIDERATIONS

- Past & Future Food Cost Changes
- Past & Future Labor Cost Changes
- Cost Cutting Techniques
- Food Costs by Menupart

MARKET SENTIMENT

- Past Sales Strength
- Future Sales Optimism
- Past & Future Sales Drivers
- Past & Future Sales Sources
- Capital Improvement Plans

DECISION MAKER PROFILE

- Gender
- Age
- Experience
- Ethnicity
- Culinary Training
- Job Title

SOURCING, ORDERING & BRANDS

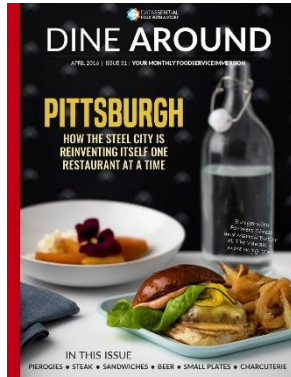
- Source Usage & Share of Purchase
- Source Appeal
- Order Method Usage & Share of Purchase
- Order Method Appeal
- Brand Importance by Product Category

SUPPLIER RELATIONSHIPS

- Preferred Supplier Characteristics
- Desired Supplier Support
- Utilized Supplier Services
- New Product Trial Motivators
- Source Selection Criteria
- Desired Support

We analyze every question in detail to determine statistically significant differences at the segment level – so the differences we note by segment are not simply products of estimation error, but are truly markers of what makes a given segment different than the overall market.

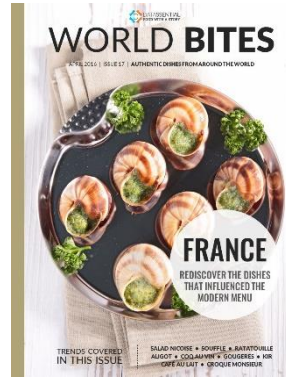
LAST MONTH'S TRENDSPOTTING



DINE AROUND

We took you to the Steel City – Pittsburgh – for a look at a dining scene that has been reinvigorated with new concepts, from modern pierogies to classic French cuisine and beyond.

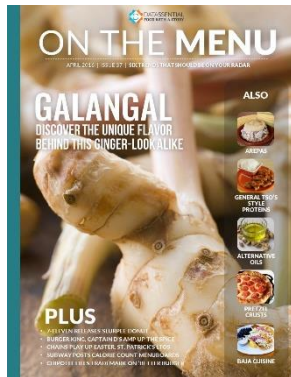
IN JUNE: Denver, CO



WORLD BITES

French cuisine forms much of the basis of the modern menu, from sauces to wines to pastries and desserts. Check out classic French dishes and those that have yet to make their mark on U.S. menus.

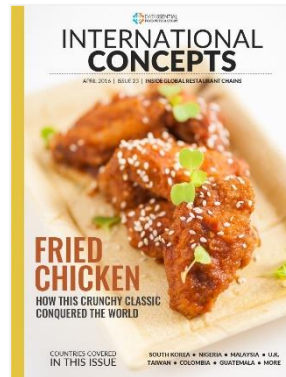
IN JUNE: Japan



ON THE MENU

Last month we looked at galangal, chefs getting creative with General Tso's sauce, Baja cuisine, South American arepas, alternative oils, and pretzel crusts.

IN JUNE: Chicken Skin, Umeboshi, Seafood Boils, Banh Mi, Coleslaw, Frozen Blended Coffee



INTERNATIONAL CONCEPTS

In May's edition of International Concepts we explored fried chicken chains around the world, covering everything from double-fried Korean chicken to spicy Latin-inspired chicken.

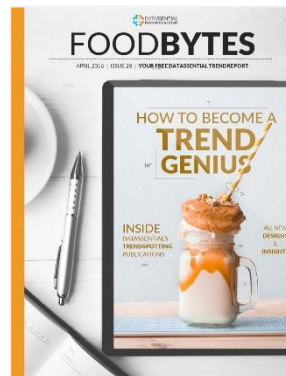
IN JUNE: Breakfast



CREATIVE CONCEPTS

Company cafeterias have become key parts of the collaborative culture at many startups, with design-driven cafeterias offering up trend-forward, healthy options.

IN JUNE: Hotels



FOODBYTES

Go inside our newly-redesigned TrendSpotting Reports and see how they can turn you into an expert on real-world trends.

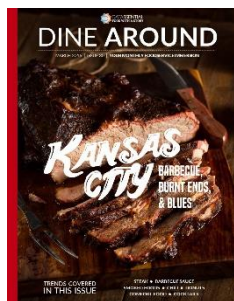
IN JUNE: Power of Local

For information about an issue or to subscribe to a title, contact
Datassential Senior Publications Manager Mike Kostyo
at **312-219-6435** or **mike@datassential.com**.



TRENDSPOTTING

With 70 issues released each year, Datassential's TrendSpotting Report series turns you into the **trend expert**, giving you real-world context for every step of the **product development process**, from ideation to marketing to reconcepting. You won't find another industry resource covering these topics with this **detail**, all combined with Datassential's unparalleled **market research** and **industry insights**. And it's all searchable in Datassential's SNAP! – data and research on every trend, dish, and flavor you can imagine is **only a click away**.



DINE AROUND

Support or replace your immersion tours around the country with *Dine Around*. These are the **trends to know in a single market**, ready to inspire your next product or concept.



WORLD BITES

Truly understand **global flavors**, with U.S. menu examples and a full page of demographic data on dishes, flavors, and ingredients from countries and regions around the world.



ON THE MENU

The easiest way to understand trends – **six trends every month**, complete with data and real-world context. Plus keep an eye on the industry with our monthly news roundup.



INTERNATIONAL CONCEPTS

No other industry resource covers **the global chain restaurant scene** like *International Concepts*, with issues covering both single countries and menu categories.



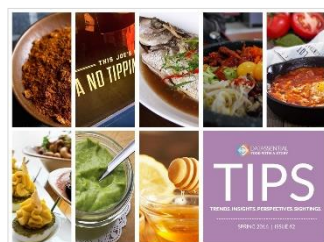
CREATIVE CONCEPTS

Understand the **industry concepts behind the trends** and you'll discover new ideas and ways to market and position products and menu items.



FOODBYTES

Ask us about subscribing to Datassential's **free industry TrendSpotting Report**, a monthly resource covering the latest market research, trends, and concepts.



TIPS

The most **in-depth trend publication** in the industry, covering eight trends across Datassential's Menu Adoption Cycle, from the cutting edge to the well-known. You'll find a trend prognosis, menu and retail examples to provide real-world context, and both consumer and operator data.

To begin your TrendSpotting subscription, contact Datassential Senior Publications Manager Mike Kostyo at **312-219-6435** or **mike@datassential.com**.



Every issue of Datassential's Trendspotting reports, searchable and ready to download in SNAP!

[SNAP ON!](#)

From Datassential's MenuTrends Keynote Series

The New Healthy Report

Navigate the landscape of healthy eating in America with Datassential's New Healthy Keynote report. MenuTrends Keynotes combine the extensive detail of MenuTrends with the opinions and behaviors of over 1,000 consumers nationwide and insights from hundreds of operators from Datassential's OPERA panel, the industry's largest with over 30,000 restaurant, retail, and on-site operators.

Discover what the term 'healthy' means to today's consumers and understand buyers' needs and wants around healthy eating:

- **Landscape for new healthy** - follow the evolution of healthy 1.0, 2.0, and 3.0; take a closer look at consumer lifestyles and H&W behaviors; understand consumer attitudes on healthy eating and how it contributes to overall wellness
- **New healthy motivators** - identify key drivers and barriers to healthy eating for consumers at home and away from home; understand retail and foodservice areas for healthy improvements
- **Healthy attributes** - gauge consumer familiarity with healthy food terms and what healthy attributes they are willing to buy and pay more for; identify foods consumers are actively trying to limit and include in their diets
- **New healthy trends and tactics** - dive into healthy megatrends that are shaping the future of new healthy from ancient grains to green juices, alternative milks to feel-good food terms; gauge consumer affinity for healthy foods, beverages, and ingredients
- **Extensive menu detail and flavor deep dives** - learn about menu adoption cycles; top menu penetration and fastest-growing ingredients and flavors; see trends by segment and region, chains vs. independents, and limited service vs. full service
- **Operator usage detail** - understand where healthy options fit into operator menu goals; identify healthy food attributes they seek and perceive as premium
- **New healthy opportunities** - get insight into products, ingredients, and platform innovations for foodservice and retail

MenuTrends Keynote

Reports are priced at
\$6,500 per topic.

Package pricing is available
with the purchase of multiple
topics.



DATASSENTIAL
FOOD WITH A STORY

MENUTRENDS
KEYNOTE REPORTS

For questions or to purchase the report
please contact **Brian Darr** at **312-655-0594**
or **brian.darr@datassential.com**

Datassential releases its latest report in the Topical Keynote series.

Colleges & Universities

We've asked the questions and mined the data,
presenting the insights on:

Colleges & Universities

- **Profile of the C&U operator**-- Who they are by demographic and experience in addition to how, what, and why they purchase, as well as what they desire in the purchasing process, and how students influence their initiatives and choices.
- **Opportunities at C&U beyond traditional on-campus dining**-- We explore what operators menu and how they innovate, their wants, gaps, motivations and challenges, additional foodservice and retail measures beyond traditional campus dining employed to increase revenue streams, and the competition from off-campus options.
- **Operator current & future offerings and processes**-- Including cuisine types and specific menu items, menu planning, dining hall and retail re-designs and renovations, equipment and technology usage, and marketing methodologies.
- **Role of the student in the campus dining and on-site retail environment**-- With input from current students, we review student dining behaviors, satisfaction levels, perceptions, expectations, and primary motivators (besides hunger!).
- **Student views on food**-- We examine student dining and spending habits along with their food attitudes, how and where they source information for their dining options, and how the C&U experience shapes future food preferences and choices.
- **Includes an IDEA tabulation and analysis tool.**

Topical Keynote Reports are
priced at **\$6,500 per topic.**

Package pricing is available
with the purchase of
multiple topics.

Across nearly 5,000 colleges and universities, operators purchase nearly \$7 billion in food and beverage, with student consumers spending over **\$17 billion per year on campus dining.** Learn what inspires students' on-campus and retail food purchasing decisions and understand operators' plans and processes, respond to their existing needs, and uncover opportunities for satisfying future wants.

Topical Keynotes combine the opinions and behaviors of consumers with insights from operators polled using Datassential's OPERA panel, the industry's largest, with over 30,000 restaurant, retail and on-site operators.



Topical
Keynote Reports

For questions or to purchase the report, please
contact **Brian Darr** at **312.655.0594** or
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