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Key Trends for 2020

By Aimee Harvey, Managing Editor

Everything's connected. That's the central theme that emerged as we at Technomic considered the patterns, hurdles and opportunities that are poised to affect the restaurant and foodservice industry as we head into 2020. While some noteworthy trends were expected and others have turned out to be a bit more surprising, common threads of connection among these trends were revealed during our research.

Ever-shifting demands for health and flavor innovation are guiding menus toward new sustainably grown and sourced ingredients, which connects to an elevated prioritization around waste reduction—both on the menu and in back of the house. But this heightened sense of social responsibility isn't happening in a vacuum; it's aligned with the changing consumer expectations, led by evolving lifestages, that are influencing the industry to respond in creative ways.

Macro financial, political and workforce trends are underway too. As global economic factors, political implications and labor concerns gain steam, consumer behaviors are impacted and their sensibilities are more attuned to the value equation for dining occasions. And that's linked directly to their choices, traffic and purchase drivers, and response to new promotions and menu innovation.

As these developments connect and cycle forward, they'll create a lasting impact on the foodservice industry in 2020 and beyond. Read on as we dive into our hot-button predictions for food, flavor, operations and consumer attitudes in 2020.



Pictured: seaweed salad



Pictured: beet greens

1. COOL COLORS HEAT UP

Following the hype of yellow turmeric, orange wine, red chile crisp and other warm-color foods, we are now seeing shades of trending ingredients cool off. Greens such as new raves and cresses and new lettuces like celtuce, kale hybrids and komatsuna will pile up on plates, as familiar leaf vegetables, sea greens, peas and absinthe take over cocktails. In addition, spirulina and butterfly pea will bring the blues, while trending mauve mouthfuls will include purple variations of common vegetables and herbs such as corn, broccoli, kale, snap peas, basil and potatoes, as well as orach, ume and juneberries.



Pictured: tonka beans

2. THE YEAR OF THE FAD

Restaurants will increasingly menu wow-factor, uber-limited-time offers to cause media frenzy with fare that's either expensive, laborious, hard to acquire from suppliers or so off-the-wall they know the enthusiasm won't last. What this means is that we'll progressively see operators—even large chains—jumping on fads instead of waiting for trends as they have in the past. Expect head-scratcher fare such as Asian cheese tea, huitlacoche (corn smut), edible insects and technically illegal tonka beans and CBD to find momentum. Plus, operators will try to draw consumers in by menuing “mouth magic” ingredients that elicit surprising sensory reactions, such as sweet limes, habanada (looks like a habanero, but lacks the heat) and mouth-tingling Sichuan bud.

3. NEW FORCES OF NATURE

As the plant-forward movement carries on, operators will need to look to new natural resources to keep menus exciting. Previously overlooked parts of familiar plants, such as beet greens, sweet potato leaves and avocado blossom, will get attention as a form of waste reduction. Another sustainable initiative, seaweed will make waves not just in snacks but in desserts and drinks, while sea beans find interesting applications. And although cow's milk production is on the decline, consumers are learning that you can milk just about anything. Nuts and seeds are just the first step; up next, expect more oat, fruit and vegetable milks.

4. ECO-EVERYTHING

Sustainability is more than a menu initiative, it's emerging as part of the foodservice industry's new circular economy, evolving from a linear approach of create-use-recycle to create-use-reuse-sustain. Upcoming efforts will call for reusable cup programs; portion-controlling dispensers to limit overuse and waste; strawless lids, smaller napkins and wood-fiber utensils; traceable sourcing of paper products; and more investment into compostable packaging that cycles back into the soil. Look for the industry to incorporate a wider range of resource-efficient, circular practices in the name of sustainability—from hydroponic vegetable production to new ways of processing and distributing food leftovers.



5. LOCKING INTO LIFESTAGES

Within the next six years, 80% of millennials will be parents. Every day, an estimated 10,000 baby boomers retire from the workforce. These massive generations—and their Gen X and Gen Z offspring—aren't monoliths simply defined by an age bracket anymore. It's becoming more crucial for the industry to recognize the various lifestages—everything from reaching legal drinking age to parenting to retirement—that each consumer cluster is currently experiencing. The health, service, quality and technology needs of an older boomer or millennial consumer may vary from those of their younger counterparts, just as social responsibility, menu innovation and pricing thresholds may carry greater importance among younger Gen Z versus older Gen Z consumers. Going forward, the savviest foodservice companies will quickly pivot and develop a more strategic voice to reach specific subgroups within each generation.

6. OFFSETTING OFF-PREMISE

Restaurant unit growth has been proliferating for years, yet guest traffic has lagged. Even as more foodservice locations launch, at-home delivery occasions are booming. This has left the industry in a quandary—do operators go all in on off-premise, double down on a core positioning designed to draw customers in the door or invest in some sort of hybrid strategy? We'll see more operators employ creative means to drive in-store traffic, from over-the-top LTOs and dine-in-only BOGO meals to promoting loyalty/subscription-based rewards that require frequent visitation. Off-premise occasions will continue to flourish (the latest Technomic research shows that 78% of operators consider off-premise sales to be a “strategic priority”), but 2020's traffic battle will also bring on a flurry of counteractive efforts by operators.

7. THE PRE-RECESSION JITTERS

According to Blue Chip Economic Indicators, 38% of economists believe the country is headed for an economic recession in 2020, while 41% foresee the recession hitting the U.S. in 2021 instead. Macro impacts, such as the trade war with China, a slowdown in economic growth in the E.U. and drops in corporate profits, all represent looming risks to the U.S. economy. Americans may be working—in fact, heading into the close of 2019, the unemployment rate fell to a 50-year low of 3.5%—but caution is beginning to creep into their spending behavior. Higher gas prices may soon affect transportation costs, as well as restaurant visitation and purchase decisions, in 2020. How do operators and their supplier partners prepare for a return to recessionary behavior? Expect a back-to-basics mentality to bubble up, as consumers increasingly trade down to lower-priced occasions across foodservice segments. And, in response, operators who've already learned the hard lessons of 2008 will communicate a more direct value story.

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