

2021 Foodservice Trends: A Look at the Road Ahead

Building on the Momentum of 2020's Emerging Trends

A year unlike any other has revealed vulnerabilities and new areas of strength in the foodservice industry. Trends that began to emerge in response to the COVID-19 pandemic and ensuing lockdown have far-reaching and long-term effects on how we do business.

With many looking to the new year for hopeful signs of change, we can anticipate growth in a few areas based on groundwork laid in 2020. Read on for seven trends we expect to become business as usual in the year ahead.

1. Drive-Thru and Curbside Hit High Gear

In today's fast-paced and socially distanced world, drive-thru and curbside services are more than added conveniences. In some cases, they're the only way consumers can get their hands (and mouths) on food from their favorite restaurants. Recent technological advancements have helped redefine traditional drive-thru service. Long order lines have been replaced by expanded digital ordering programs and curbside pickup stations.

WHAT'S AHEAD: Digital ordering and payments will be important as grab-and-go value increases across segments. We can also expect more service innovations that make it easier for consumers to receive their

orders without leaving their car or interacting with staff as "frictionless" interaction will become expected.¹

40% of Americans who purchased restaurant takeout during the pandemic opted for curbside pickup.²

36% of consumers are ordering from the drive-thru more often than before the pandemic.³

TWO-THIRDS of those consumers plan to continue using curbside pickup after restrictions are lifted.³



2. Delivery Revs Up

Delivery was already in demand before the pandemic, but lockdown orders only accelerated the need for consistent, convenient delivery service. The heightened demand also quickly revealed any cracks in an operator's existing delivery service. Struggles with third-party delivery partners (including high fees) also came to light, causing many consumers to go straight to the source (i.e., the restaurant) for delivery orders. In fact, 75% of consumers say they prefer to order directly from the restaurant versus going through a third party (11%).³

WHAT'S AHEAD: In 2021, operators will likely continue to refine delivery to improve efficiency without impacting other aspects of their service. This includes leaning into ghost kitchens (off-site kitchens used exclusively to fulfill off-premises orders), tweaking menus to ensure delivery food integrity

and offering deals to entice consumers trying to avoid delivery fees. In addition, contactless delivery will remain an important tool for building consumer confidence and reducing safety fears.¹

67% of consumers order delivery directly from restaurants, compared with **33%** who use third-party delivery services.³

36% of off-premises diners used contactless delivery during the height of the pandemic. Of those diners, **67%** plan to rely on contactless delivery even after dine-in services resume.³



Denver Omelet Bites
made with RITZ Crackers



Iced Cinnamon Rolls
made with OREO Cookie Pieces

3. Reinvented Packaging

With so much restaurant-made food being enjoyed off-premises, operators are tasked with finding ways to maintain restaurant quality on the road. Packaging that ensures safe transit as well as food safety (e.g., tamper resistant) will be a high priority going forward. Layer in consumers' concerns surrounding sustainability and operators have a tall order to fill.

WHAT'S AHEAD: Operators will need to invest in packaging that maintains food integrity and safety while also meeting their customers' demands for sustainability.

65% of consumers say it's extremely important that to-go packaging maintains proper food and beverage temperatures.³

47% say it's important that packaging is sealed with a tamper-proof sticker.³

39% of overall consumers say that environmentally friendly packaging is important.³

Consumers willing to pay up to \$2 extra for eco-friendly packaging.

While tamper-proof packaging is a consumer priority right now, sustainability remains so important they say they'll pay more for eco-friendly options.³



Burger King tests reusable containers.

Photo: Burger King/
Handout via REUTERS

4. Major Menu Innovation

Capturing and keeping consumer attention will be critical for operators trying to regain share lost over the last year. The best way to generate buzz: create unique and Instagram-worthy menu items that get people talking about—and ordering from—an operation. Leaning into trends that came to light as a direct result of the pandemic (like those listed below) are another way operators can keep customers engaged long term.

WHAT'S AHEAD: A continued off-premises push will lead to menu innovations across the industry, including:

- Food crafted for portability.
- Increased to-go adult beverages in response to relaxed laws.
- Shift from traditional shareable or self-serve to safer formats.
- More interest in comfort foods and value deals (see #5 below).¹



Houlihan's To-Go Margarita Kit

Photo: Houlihan's

24%
of operators plan to offer premade and cocktail kits for off-premises service after business returns to a new normal, if permitted.⁴

Top menued cocktail kits:⁵

- Bloody mary
- Restaurant originals
- Bellini/Mimosa
- Margarita
- Moscow mule

Shhhhh! Secret Menus Bring Consumers in on the Fun

To keep consumers engaged, many restaurant brands have leaned into “secret menus,” which feature special chef creations not advertised to the general public. **Chipotle**, **Starbucks** and **McDonald's** have found success with underground menus, which appeal to in-the-know customers and allow operators to dig deep and utilize their entire pantry items in new ways.⁶

Safe Shareables

Noncommercial foodservice operators are getting innovative, offering family meals that are deemed safe to share.

Morrison Living, which serves more than 400 senior living communities nationwide, has launched a new “Party for Four” menu focused on fun foods (think sushi platters, cheese and charcuterie boards, and dim sum) designed to be shared safely as residents begin socializing with family and friends.⁷

5. Family Meals and Kits Add Value

In addition to offering specials, combos and other value-added rewards, many operators began offering high-volume (and high-value) family meals and meal kits to help keep their businesses afloat during pandemic shutdowns. Their popularity and bottom-line benefits became quickly evident, inspiring some operators to give these types of meal deals a permanent place on the menu.³

WHAT'S AHEAD: Family meals and meal kits will feed consumer purchase decisions as economic uncertainty grows and affordability remains top of mind.¹

- **73%** of consumers said they would likely order family meal bundles even after restaurants reopen; **68%** said they would order meal kits.³
- Busy families, who want quick, easy meals, are expected to drive demand going forward.⁸

Take-and-Bake: What Consumers Want

From breakfast to dessert, consumers have shown interest in do-it-yourself and take-and-bake kits as a convenient way to prepare home-cooked meals. **Cracker Barrel** partnered with DoorDash to deliver its **Family Meal Baskets n' Sides** and **Family Take n' Bake** offerings.



Meal Kit Demand, by Category:⁹

73% take-and-bake comfort foods

68% build-your-own pizza kits

63% take-and-bake desserts

51% decorate-your-own dessert kits

6. Reimagined Cafeterias

As the slow return to cafeterias begins, particularly in the Business & Industry and College & University segments, consumers will look for quality and cleanliness. They will also be paying close attention to how cafeterias balance freshness and safety, as many have a low level of confidence in the overall cleanliness of self-service stations.

WHAT'S AHEAD: Cafeterias are innovating to meet new consumer needs. Operators are reinventing salad bars and buffet areas as grab-and-go stations packed with prepackaged meals and snacks and focusing on takeout to help reduce the number of people in cafeterias.



Companies Taking Big Safety Steps

Canteen is developing contactless, voice- or app-activated coffee machines. **Dartcor**, a corporate dining services company, has created a roaming coffee cart service piloted by a concierge in protective clothing who serves individual coffee and snacks.¹⁰

48% of consumers expect restaurants to reduce self-serve options to help them feel safe and comfortable.¹¹

48% of B&I cafeterias and **40%** of C&U cafeterias reduced the number of tables.¹²

45% of B&I cafeterias and **27%** of C&U cafeterias have implemented designated takeout areas.¹²

7. Food for Function

Today's consumers want to snack with purpose. They expect food to do more than taste good. They want it to do good. In fact, recent data from Tastewise, an AI-powered food intelligence group, revealed "staggering" growth in internet searches by consumers seeking a food-based health boost from February 2019 to March 2020.¹³

WHAT'S AHEAD: COVID-19 has made consumers even more aware of (and hypersensitive about) their health—a trend expected to grow in 2021. Therefore, ingredients that are perceived as "better for you" will be top of mind. Operators can capitalize on the flavors of functional foods and plant-based ingredients to entice consumers and exceed their flavor expectations.

Top 5 Ingredients U.S. Consumers Are Most Interested in Trying:¹⁴

- Curcumin
- Omega-3
- Probiotics
- Ashwagandha
- Protein

78% of consumers want restaurants to offer more food and beverages with functional benefits.¹⁵

61% of consumers are either extremely or very interested in functional foods.¹⁵

Other key ingredients to include in functional snacks and desserts: **turmeric, maca, seeds, herbs and mushrooms.**¹⁶



The Journey Forward

The innovations created in response to a year filled with challenges will continue to drive changes within the foodservice industry and the world at large into 2021 and beyond. Having a road map for what to expect can help operators prepare for and navigate whatever roadblocks may lie ahead.



1. Drive-Thru and Curbside Hit High Gear

To compete with the drive-thru and curbside QSR boom, operators must offer similar conveniences that deliver on quality and frictionless transactions.

2. Delivery Revs Up

Delivery will be an integral part of doing business going forward. Operators will need to take a hard look at their service to optimize value to the consumer and profit for their bottom line—and decide if self-delivery or third-party partners suit their needs better.

3. Reinvented Packaging

Maintaining food integrity and sustainability will be key quality-control factors going forward. To keep customers happy, operators must invest in high-quality packaging that answers both demands.

4. Major Menu Innovation

Revamping menus to keep customers engaged and food integrity high and extending existing pantry items were useful tools in operators' arsenals this year. Consumers are seeking more exciting ways to enjoy food from their favorite restaurants, and operators will have to think outside the box to keep up with the demand.

5. Family Meals and Kits Add Value

The emergence of take-and-bake and family value meals were a welcome option for busy consumers hungry for home-cooked meals without the fuss. Operators should continue to make room for these types of offerings on their menus.

6. Reimagined Cafeterias

Customers will be extra-critical of cleanliness and safety, especially in traditionally self-serve and communal food situations. Repurposing salad bars and other self-serve stations will help ease safety anxieties.

7. Food for Function

Consumers concerned with their health will expect to see menu items and snack options that provide real nutritional benefits.

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to receive updates on how these trends are manifesting in foodservice establishments throughout 2021 as well as more industry updates as they're happening.

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