

TRENDING NOW—November 2018

# Veg-Centric Dining



Strategic Insights &  
Category Management

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# Specialty Diets: A Minority

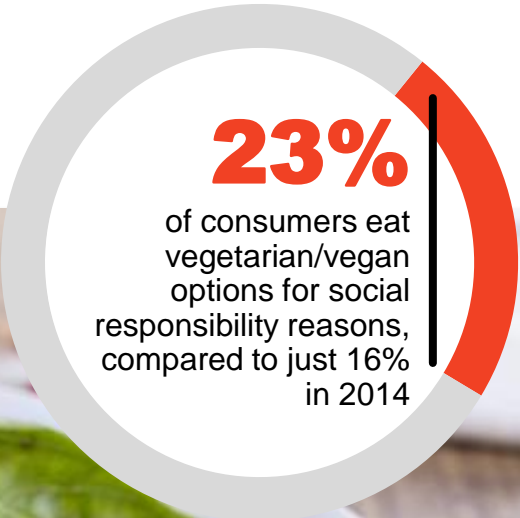


- Just 15% of consumers say they subscribe to a semi-vegetarian, flexitarian or stricter diet with regards to animal products.
- Nearly half of consumers (45%) who ever eat meatless meals have friends or family that are vegan or vegetarian, suggesting that the public will become better informed about this way of eating
  - This highlights ***the importance of offering a few meatless dishes to counter the veto vote***
- Meatless dishes will become more mainstream as growing familiarity with these options makes them a viable alternative to dishes with meat among more consumers. To leverage this opportunity, restaurants will need to ***innovate their meatless options with bold flavors and new types of meat alternatives***

## Look for:

- More consumers to turn to meatless dishes out of health concerns, the primary driver for increased consumption of vegetarian dishes
- Increasing numbers of consumers to subscribe to flexitarian diets, meaning plant-based diets with the occasional inclusion of meat

# Social Responsibility Driver



- *Younger consumers are driving increased focus on sustainable products across the food industry, and plant-based options are an ideal way to address sustainability and animal welfare concerns*
  - 30% of 18- to 34-year-olds consume vegetarian or vegan options or substitutes as a main entree for sustainability or social responsibility reasons. And because this push is coming mostly from 18- to 24-year-olds (33%), we've only seen the tip of the iceberg
- Further rationale operators should describe vegetarian or vegan options as sustainable: it elicits a higher price point. **Approximately 68% of consumers are more likely to buy vegetarian or vegan options described as sustainable, and 41% are willing to pay more for it.**

**Look for:**

- **More operators will promote their veg-centric dishes as socially responsible** to combat the growing focus on sustainability among college students, in particular
- Operators to ramp up their efforts in promoting socially responsible seafood production, as well as other meat production, which will later challenge this uptick in meatless consumption

# Imitation Meats

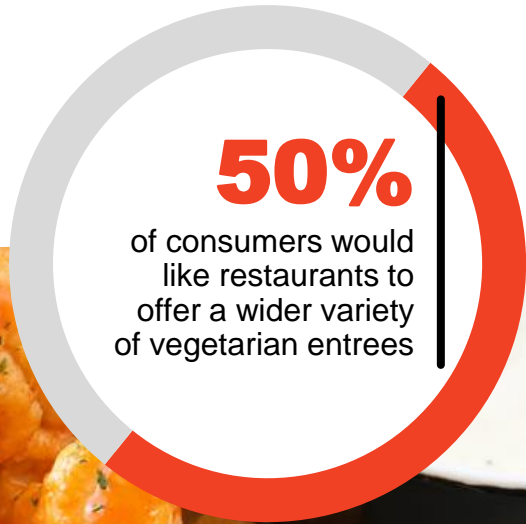


- Half of consumers ages 18-34 call for the ability to substitute animal proteins with plant-based alternatives
- Operators will increasingly meet these demands as next-generation imitation meats such as jackfruit “pulled pork,” veggie-based “Bolognese” or beet “chorizo” allow for more flexibility. This technique elevates vegetables and commands a higher price point
- **Example:** the Impossible Burger and the Beyond Burger. Increasing in mentions by 300.0% and 212.5%, respectively, in the past year, the two imitation beef brands are now featured at chains ranging from The Cheesecake Factory to Bareburger to White Castle
- Significant Silicon Valley money is backing this technology to drive the sensory experience

**Look for:**

- Brands to draw inspiration from cuisines with rich vegan repertoires, such as Indian or Ethiopian, to combat the aversion to imitation meat
- Imitation meat products to extend from beef to plant-based seafood, eggs and more
- Beyond Meat recently filed for IPO hoping to raise over \$100 MM in seed dollars to continue their growth trajectory

# The Next Cauliflower



- With 41% of consumers reporting eating more vegetables now than a year ago, **vegetables are now moving to the center of the plate and being presented as equally important as meat**
- Given most consumers aren't specifically seeking vegetarian or vegan dishes when they order these items, this suggests that consumers are more likely to accept vegetables as the star of the dish. Cauliflower has taken a starring role over the past few of years—Buffalo cauliflower, cauliflower “steak,” cauliflower pizza crust, cauliflower “rice” and more have popped up at top chains. So what’s the next cauliflower?
- **Operators are eager to test out other veggies** as the potentially next big center-of-the-plate vegetable star.

**Look for:**

- Carrots, broccolini or exotic veggies to potentially become the next cauliflower
- Interesting preparations of vegetables, such as blackened, smoked and charred, to further drive the impression that these dishes are equal in value to dishes with meat
- Identify sauces and seasonings that highlight the meaty umami of the vegetable to satiate the total sensory experience

# Veg-Centric Cocktails

**26.7%**

growth of habanero in specialty drinks in the past year



- Plant-based dining is not just a trend on the food side of the menu. Vegetables are also finding their way into specialty cocktails.
- Bartenders are increasingly experimenting with veggie **juices and syrups to dress up traditionally fruit-forward classics**. Operators are realizing that many vegetables have distinct flavors—from sweet to earthy to spicy—that pair quite well with certain spirits, especially vegetal ones.
- **A number of vegetables are seeing significant growth in specialty cocktails year over year:** Habanero mentions are up 26.7%, followed by spinach at 25.0% and jalapeno at 14.2%. Many of these vegetables **produce an Instagram-worthy hue and a wow-factor** flavor statement in vodka, tequila, rum or other spirit-forward cocktails.

## Look for:

- The plant-centric cocktail trend to extend from vegetables to florals and herbs, namely marijuana
- Seasonal vegetables to find momentum in limited-time cocktails, such as beet infusions during the fall or rhubarb in the spring

# Key Takeaways

## 1

- Millennials started the trend of focusing on sustainability but Generation Z, who is expected to be 40% of the population by 2020, are increasingly looking at their environment and how they can effect change for the better – including reducing their animal protein consumption.
- As younger consumers are influenced by experiences in college or travels, they will increasingly expect Operators to offer satiating vegetable experiences on the menu.
- Choosing not to eat meat is not a diet but a way of eating or way of life. It is an expression of the consumers value system.

## 2

- Operators and Distributors are rapidly adopting the meat replacements such as Beyond Meat and Impossible – at National Chains as well as Independents.
- Look for large expansion across Non-Commercial as pricing is reduced due to increased volume and consumer acceptance. Will likely be a large opportunity at C & U and Active Senior Living.
- Work with these products to ensure recommendations for condiments or dips are enhancing the eating experience for the end consumer.

## 3

- Hearty vegetables, such as cauliflower and brussel sprouts, are ideal for a vegetable centric COP opportunity. Leverage on trend preparations such as char, roast and smoking to enhance their natural flavors and develop their texture.
- Pair these items with sauces and seasonings that can enhance the umami sensory experience to create satisfaction with the end consumer.
- Develop a vegetable-based solution to offer Operators an easy way to enter into this space in a way that engages the younger population that they are working to bring in.