



THE FUTURE OF YOUR MENU: ADAPTING TO CONSUMER TRENDS



Dairy Farmers of America

**INGREDIENT
SOLUTIONS**

Over the past two decades, foodservice in the U.S. has matured into an industry that is no longer a “nice-to-have” or a “special occasion only” but rather a day-to-day necessity for most people.

In fact, prior to the coronavirus outbreak, Datassential reported the share of consumer food spending away from home at just over 50 percent. This was particularly true of younger consumers, both Gen Z and Millennials, two generations that represent the future of foodservice and the largest demographic markets.

While COVID-19 may have derailed the industry temporarily, the foodservice industry is a fundamental part of American consumers' lives and is inevitably going to rebound with the rest of the economy. In fact, 41 percent¹ of consumers say they are most excited to return to their favorite restaurant when the crisis is over. When it does, it will be critical – even more critical than before – for operators to position their menu to address changing consumer concerns, needs and expectations.

Adapting menus to account for changing consumer behaviors and shifting trends does not mean changing on a whim or without direction. Any change must be made within the framework of a strong menu and brand strategy to ensure consistency of message and a solid relationship with current and future patrons. Evaluating trends to ensure a good fit with menu and brand strategies will guarantee the right trends are adopted and changes make sense to new and returning customers alike. Below are some key trends that may work for many operations, keeping the menu fresh and relevant across a wide spectrum of consumers.

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SIMPLIFIED MENUS

As the country returns to foodservice, many will be emerging from a prolonged period of anxiety and uncertainty. These emotions often cause consumers to retreat into positions of comfort and security and that holds especially true for food. Simplified menus, those that focus on items most in demand by patrons and those that highlight the best an operator can bring to the table, help consumers feel more confident and comfortable.

These menus also help operators better manage costs, ensure consistency, and return when traffic and capacity may be limited. Nearly half of all foodservice locations have pared back their food and beverage options during the shut down², something that is likely to continue as states allow more operators to reopen.

Simplified menus aren't, and shouldn't be, synonymous with boring or un inventive. Rather, these types of menus reduce the need for customers to wade through more options than they may feel comfortable choosing from while minimizing back-of-house operational complexity and reducing labor costs. In fact, simplified menus may allow operators to focus on higher-quality ingredients that elevate the overall dish. For example, standard butter may be replaced with Plugrá® for a more intense and indulgent option that, simultaneously, may command a higher price.

Menus that focus on an operator's strengths allow for more impactful innovation efforts. Without the need to stay on top of an extensive menu, innovation resources can be used more effectively to design interesting and unique options that speak specifically to the talents of the operation, giving patrons a compelling reason to visit.

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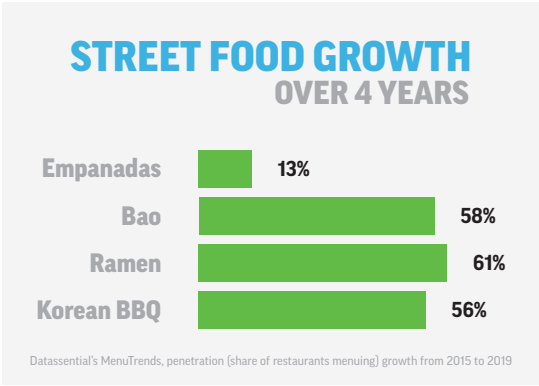


COMFORT FOOD

More than any other trend coming out of the coronavirus crisis, comfort food will accelerate and become an important element on all menus. Anxious times drive consumers back to the familiar foods that remind them of happier, safer times. We've seen this happen already with 33 percent³ of consumers noting they have been eating comfort foods more often since the onset of COVID-19.

But comfort food is not what it was decades ago. A more diverse population and broad exposure to a far wider range of world cuisines has expanded the average consumer's comfort zone. Street food, country fare, peasant dishes and other similar items may not fit exactly into the definition of comfort food in the U.S. but all of those dishes are recognizable on some level to the average consumer. A few examples include empanadas, bao, ramen and Korean BBQ which grew in penetration by +13 percent, +58 percent, +61 percent and +56 percent, respectively, over the past four years⁴. The names are different, but the emotions they evoke are the same: warmth, comfort, ease, confidence and safety. Consider the popularity of Mexican cuisine as an example. An ancho pork carnitas street taco made with [La Vaquita® Cotija cheese](#) can be as comforting as bacon mac and cheese featuring [Jacobco® Fontina](#) and topped with crispy haystack onions. And comfort food can as easily be vegetarian, with empanadas working with a wide range of craveable vegetable fillings paired with [La Vaquita® Queso Fresco](#) and [DairiConcepts® Bacon Ranch Seasoning](#).

World cuisines, however, are not the only innovation occurring within comfort food. Old favorites enjoy new life and renewed interest with the addition of an unexpected ingredient. Artichoke dip gets a new punch with leeks, [Jacobco® Shredded Parmesan](#) and [DairiConcepts® Parmesan Concentrate](#). These innovative additions allow for the safest experimentation, permitting consumers to feel as though they are being adventurous but from the safety of a very comfortable position.



LIMITED TIME OFFERS

As consumers ease back into a greater sense of normalcy, there will be a growing number of restaurants vying for their attention. Though many have shuttered, new restaurants will take their place and fight for consumer's spend away from home. Limited time offers, or LTOs, can help cut through the communication clutter.

LTOs and other special promotions are an excellent tool that operators may use to grab consumer attention with a unique, timely, or craveable option. These craveable options can be completely new items or current menu items featuring different flavors to create a new, unexpected experience. This latter type of innovation will be key for operators as they navigate capacity limitations, fluctuating traffic through phased reopenings and other challenges.

There is a tremendous amount of flexibility with LTOs and the way in which operators may position these special creations. DairyConcepts® seasonings can add the kick and interest an LTO – new or revamped existing item – needs to stand out and grab attention. Consider adding DairyConcepts® Chipotle Chili BBQ seasoning to fries loaded with brisket and topped with [La Vaquita® Queso Fresco](#) and Crema Mexicana Agria for a unique side complementing a featured burger or an exciting appetizer. The DairyConcepts® Spicy Citrus Jalapeno seasoning can work as well adding kick to a slaw menued with [fish tacos](#) as in spring rolls to pump up the flavor. Whether the focus is on seasonable ingredients, holiday-specific items, or innovation tied to sporting and entertainment events, LTOs allow operators to showcase their inventiveness.

It may be compelling as we emerge from quarantine and into the recession that will follow to focus on price cuts and discounts as part of a limited time offer. Falling back on price cuts, however, can undermine the perceived value of the operation and condition patrons to expect lower prices. Messages that focus on value, how the operation is trying to help consumers with the offer, and other similar positions will help protect revenue while still connecting to patrons.

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LIFESTYLE DIETS

It may seem like lifestyle diets have taken a backseat to the general disruption consumers are facing, but for many, lifestyle diets have become even more important. Extended periods of uncertainty and fear cause consumers to look for ways to exert greater control over their day-to-day decisions. Lifestyle diets allow for that type of control.

Several diets were enjoying considerable focus prior to the crisis and many of those continue to enjoy attention as consumers looked to streaming videos, instructions and other information online during quarantine. In fact, nearly 60 percent⁵ of consumers expressed interest in participating in these types of online classes and tutorials. Keto, paleo and intermittent fasting all seemed to maintain their general level of interest and for many, consumers they represent a way to control their health and well-being in the face of a pandemic.

As we emerge from this situation, the adoption and consumption of functional foods will become a significant part of many consumer's lives. Specifically, ingredients that promote stress relief, sleep enhancement, mood moderation and immunity-boosting characteristics will be in high demand. Foods and beverages that feature these ingredients will appeal to consumers' desire to exert greater control over their health – mental, emotional and physical.

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WORKING WITH THE RIGHT INGREDIENTS MAKES THE MOST SUCCESSFUL MENU

As the industry emerges from the COVID-19 crisis, consistency, quality and a strong menu proposition will be critical to success for restaurants that remained open, are reopening, or new restaurants just opening. Whether the best solution for your operation is a simplified menu, a renewed focus on comfort food, featuring innovative limited time offers, or an emphasis on health and wellness, it's time to consider what the most advantageous position is to face the next year and grow the strongest business possible.

The key to a strong menu starts with quality, reliable ingredients. These are the building blocks that showcase an operator's talents, innovation and reliability, particularly important after an extended period of unease.

DFA Ingredient Solutions offers superior quality dairy ingredients that are versatile, consistent and simple to use. Their commitment to using real ingredients ensures an operator can feel confident in its ingredients, and relay that confidence to its patrons. Starting with the best makes certain the best experience for your patrons.



DFA Ingredient Solutions has become the innovative partner for food manufacturers and foodservice operators that need customized ingredient solutions. Powered by an unbeatable network of family farmers and backed by some of the most innovative minds in the industry, DFA Ingredient solutions is doing more than help food producers and foodservice operators achieve their dairy flavor goals. They're offering a complete line of high-quality dairy ingredients, including custom formulations and trend-setting ingredients. Contact us today to experience the DFA Ingredient Solutions difference.

¹Datassential's COVID-19 Report 7: Pent Up Demand, 04.01.20

²Datassential's COVID-19 Report 8: The Operator Story, 04.03.20

³Datassential's COVID-19 Report 5: Sheltered, 03.27.20

⁴Datassential's MenuTrends, penetration (share of restaurants menuing) growth from 2015 to 2019

⁵Datassential's COVID-19 Report 11: Reinvention, 04.10.20



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Powered by an unbeatable network of family farmers and backed by some of the most innovative minds in the industry, we're proud to provide an incredible range of ingredient solutions for many of the world's largest food companies.

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