

This is the eleventh year we have created our “Top Trends”. We discuss our personal thoughts with the top leaders in the industry every year. Using this method we have set the standard for insight as to what operators can expect over the next 12 to 14 months.



Catering to Millennials

To best prepare for 2015 is to understand not only what to expect, but who will be driving trends and changes. With rapid developments in technology, health trends, and aesthetic tastes, experts are watching the movements of the Millennial generation for cues. The 20-30s crowd is increasingly informed, vocal, and decidedly sure about what they like. They function at a fast pace and don't believe they should have to compromise service, quality, or overall experience.

Technology

Technology has been integrated into most facets of culture, and has significantly transformed the restaurant industry in the past two years. This trend will continue particularly for taking orders, carry-out, paying, and online reputation. Many restaurants and cafes are replacing traditional wait staff by providing tablets or phone apps to place orders, which falls in line with the continued rise of carry-out apps like Seamless and GrubHub. This lends itself to payment by phone as well, likely with increased acceptance of Apple Pay, Google Wallet, and other customized digital payment applications. For the really technologically-advanced, more and more restaurants are incorporating recognition software for charting orders and automatic payments.



Millennials are driving this technological advancement because of increased demand for easy access and customization. This is second nature for the under 30 crowd, who is increasingly ditching even computers and tablets now for the ease of mobile living via smartphone. Much of this takes root in social media which ignited the demand for direct two-way communication between businesses and consumers. Thus, technology will also continue to sway online reputation. Yelp, for example, has become as much a verb as Google. You need information? You “Google it.” A pre-30 needs to find a diner open late? They “Yelp it.” More and more businesses are showing up on social media platforms, and this will become an expectation, not a novelty. Without a social media backing, a business becomes less relevant.



Simplicity

While the younger generation is attached to their digital devices, they are simplifying everywhere else. This is becoming evident in both aesthetics and health. Many collegiate and post-collegiate coeds are immersing themselves in both minimalist and artisanal cultures. Younger aesthetic tastes will tend toward clean, modern

environments, while also seeking out rustic, craftsman techniques and ingredients. The emphasis will be on process—ethics, sustainability, quality—but that is not an excuse for lack of style. The result is a thoughtful, high-end, high-quality product that Millennials will expect as the norm rather than seeking it out as a specialty. Restaurant aesthetics will be the face of this movement; but food

must hold up in both quality and presentation. Most consumers are now acknowledging the importance of the organic and farm-to-table movements, and more of them are putting this knowledge into practice as a lifestyle, not just a fad. Grass-fed and ethically grown meats and vegetables will continue to top lists of priorities, despite the fact that beef, chicken, and egg prices will continue to rise. Consumers are simplifying other areas of their lives to make room for increased food costs, so there is no need to back down from high-quality products. It will be in demand.



Healthy Choices

Specialized diet choices such as Paleo and Whole 30 diets are driving decision making; and with the terms now free-floating through Millennial vernacular, even the uninformed will likely choose “healthy” themed options. For example, vegetable-themed cocktails are increasing in popularity, as are vegan baked goods. Gluten-free will also continue to be a selling-point for many.

Major cities are now seeing full-blown promotion of the gluten-free trend. For example, nobreadnyc.com offers customized gluten-free menus plus restaurant reviews to not only catalog gluten-free availability but also chart how well it is done (a venture that was so successful the creator of the website now manages the project full-time). This particular site is set to launch in LA in 2015, demonstrating that gluten-free is here to stay and worth considering. This is only one sect of the “health food” market; however these pockets of diners will continue to grow as the Millennial crowd establishes this taste as normalcy.



Presentation and Produce

Speaking of establishing taste, there will also be a need to increase presentation. Fine-dining is much more a norm for the 20s and 30s-crowd, who has always put an emphasis on food experiences. Restaurant News declares this group to have a “restless palette,” meaning that more and more is needed to curb their willing and adventurous tastes. For example, sushi is still popular, but sashimi is on its heels. Trends also continue to favor the once “less desirable” or “ugly” crops, like unusual cuts of meats and root vegetables. This will fare well for the restaurant industry in light of the California drought. NASA says the California groundwater supply is nearly depleted due to the drought and the inability to replenish. This will clearly affect the price of produce, but it is also legitimately affecting availability. Almonds, artichokes, dates, figs, raisins, kiwifruit, olives, clingstone peaches, pistachios, dried plums, pomegranates, sweet rice, ladino clover seed, and walnuts are available only in California and will likely see substantial price increases, if they are available en masse at all. Restaurants once focusing on these products specifically can turn their attention to the new “on-trend” vegetables, which Andrew Freeman has declared to be cauliflower (and soon, radishes) and cabbages (think coleslaws). Also look for an increase in belly cuts and French and Umami flavors. One of the best ways for restaurants to embrace these products is to create a “Charcuterie” plate that features these items with a selection of fine locally produced meats and cheeses. This will present a unique opportunity for upselling specialty drinks and wines.

Minimum Wage Push

The political environment and the continued sense of entitlement will create higher payroll costs. There will only be a few options to address this from an operator standpoint: raise prices, reduce portion sizes, or cut employees. This, coupled with the employer mandate for health care, will lead many to hire fewer employees. This will require a simplification of menus and product offerings.

Beef Prices

This past year the price of beef has risen almost 16%. We anticipate prices will stabilize but remain high for the next two years. This is driving up the price of all the other proteins. However, we see chicken becoming the next new beef. Restaurant operators can take advantage of this by updating their menus with flavorful chicken dishes to meet healthy trends.

Can We Help You with Any of the Above?

National Restaurant Consultants is a world renowned leader in providing restaurateurs with assistance in resolving some of the most challenging aspects of their businesses. This includes refining or expanding concepts to take advantage of an ever changing market place. Our most popular service, Operations Analysis™, has saved operators nationwide thousands of dollars and is one of the most powerful tools available!

If you believe that you are not ready for any of the above changes occurring next year, or if you need assistance in your operations, we would love to speak with you. Please call or send us an email, and we will get you on the road to expanding your revenues and increasing your profits.