Industry Insights

A roundup of noteworthy Canadian foodservice findings
for the week of Feb. 13, 2023

Image Source: Shutterstock

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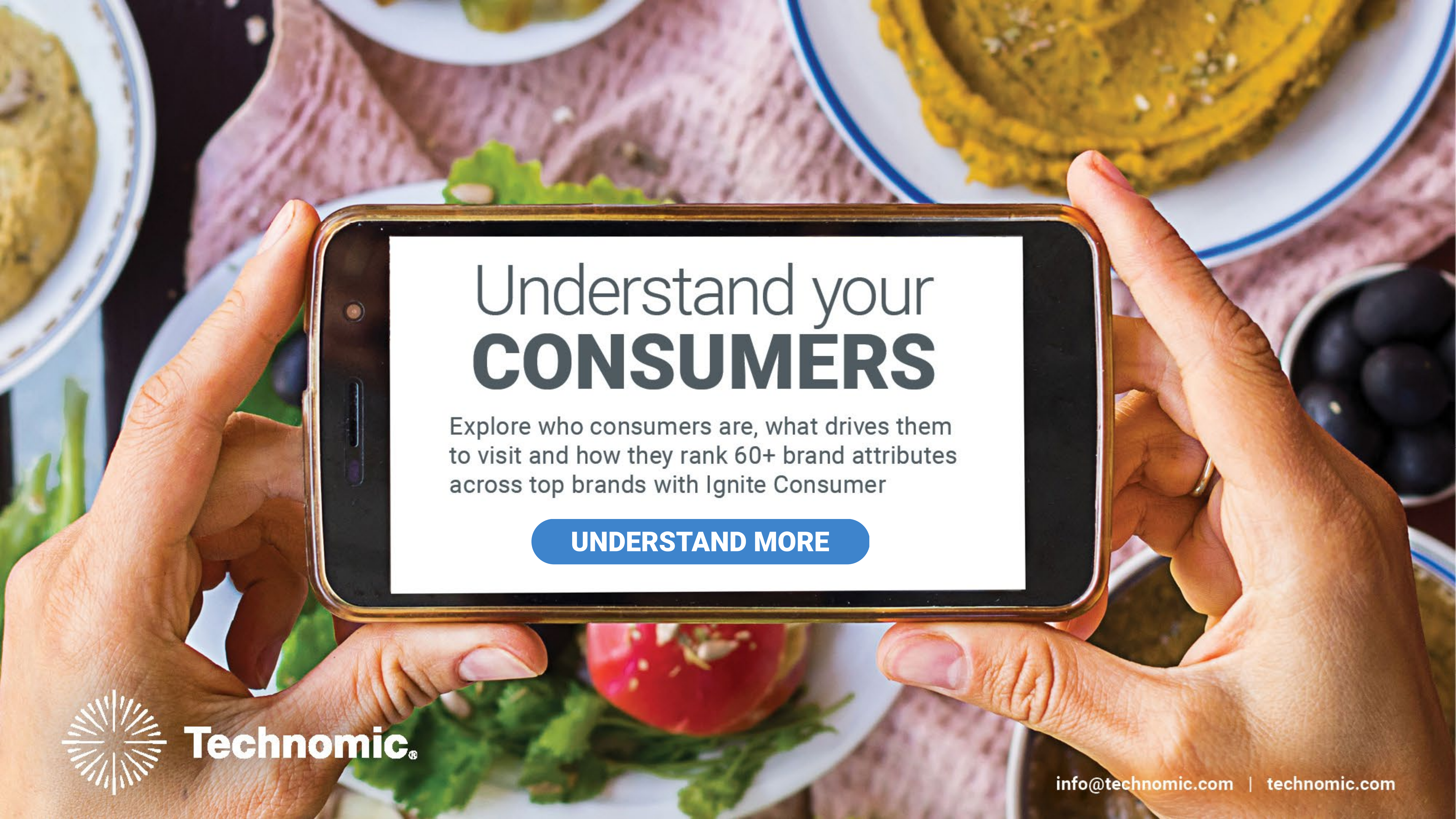
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IGNITE COMPANY

Taco Bell expansion planned for Canada

After stagnating at roughly 50 total restaurants since 2019, Taco Bell has released plans for a major Canadian expansion beginning in 2023.

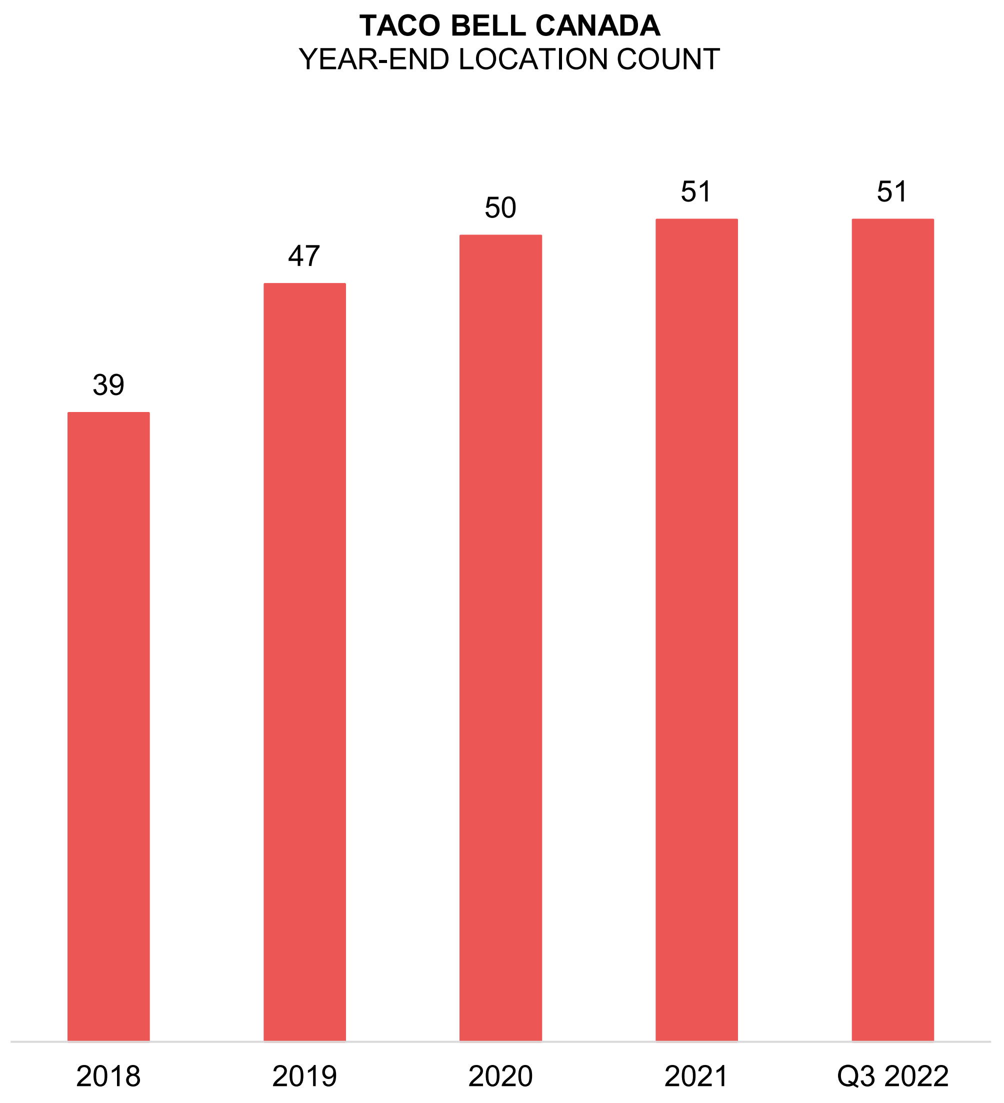
The brand plans to open 200 new restaurants over the next eight years, more than doubling its current unit count. The new locations are expected to be built throughout British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

Redberry Restaurants, a Canadian-based operator of Burger King, Pizza Hut and Taco Bell, is heading the expansion. The group currently operates 14 Taco Bell locations in Ontario.

This marks the first notable Canadian expansion for the brand, which operates more than 7,000 locations in the U.S.

Ignite Company clients: Click here for more

Source: Technomic Ignite Company



IGNITE MENU

Q4 2022 menu data highlights

With the launch of Technomic's latest Ignite Menu data for Q4 2022, here are some key takeaways from Canadian menus.

Overall, menu item counts are on the rise, with only kids menus (-2.2%) showing declining item counts. Also increasing are menu prices, with menus seeing an overall average price growth of 6.0% in the last year.

Global flavours and dishes are continuing to grow on menus. Less-common global options are appearing in the list of fastest-growing flavours, including Cuban (+33.3%) and Egyptian (+33.3%). The fastest-growing entree over the past year is Japanese tempura, most often appearing in seafood and veggie varieties.

Both vegan (+10.2%) and plant-based (+8.8%) are in the list of fastest-growing healthy claims in the last year. Some items that fall into these categories that are showing growth on menus include oat milk (+57.1%) and plant-based beef (+28.2%).

COVID-19-related items such as take-and-bake (-75.0%), meal-kit (-22.2%) and other retail/grocery (-35.3%) items are all on the decline, suggesting that operators are increasingly reverting back to pre-pandemic menu offerings.

Ignite Menu clients: Click here for more

Source: Technomic Ignite Menu data
Image Source: Shutterstock

ITEM COUNT GROWTH OVER THE LAST YEAR
(Q4 2021-Q4 2022)

Nonalcohol Beverage **+7.3%**

Dessert **+6.5%**

Add-On **+5.4%**

Appetizer **+5.2%**

Entree **+4.2%**

Side **+2.5%**

Senior Menu **+0.6%**

Kids Menu **-2.2%**

Overall +4.7%

Importance of adult beverage variety at CDR

Within the Ignite Consumer survey, diners are asked to rate the importance of restaurant attributes as they relate to their restaurant decisions. The most important factors in the location selection process are remarkably consistent, and cover food taste and quality, accurate orders and cleanliness.

With the gradual return to dine-in service, consumers show evidence of shifting priorities when selecting a restaurant for an occasion. The importance of "alcohol beverage variety," for example, has increased by nearly 5 percentage points year over year.

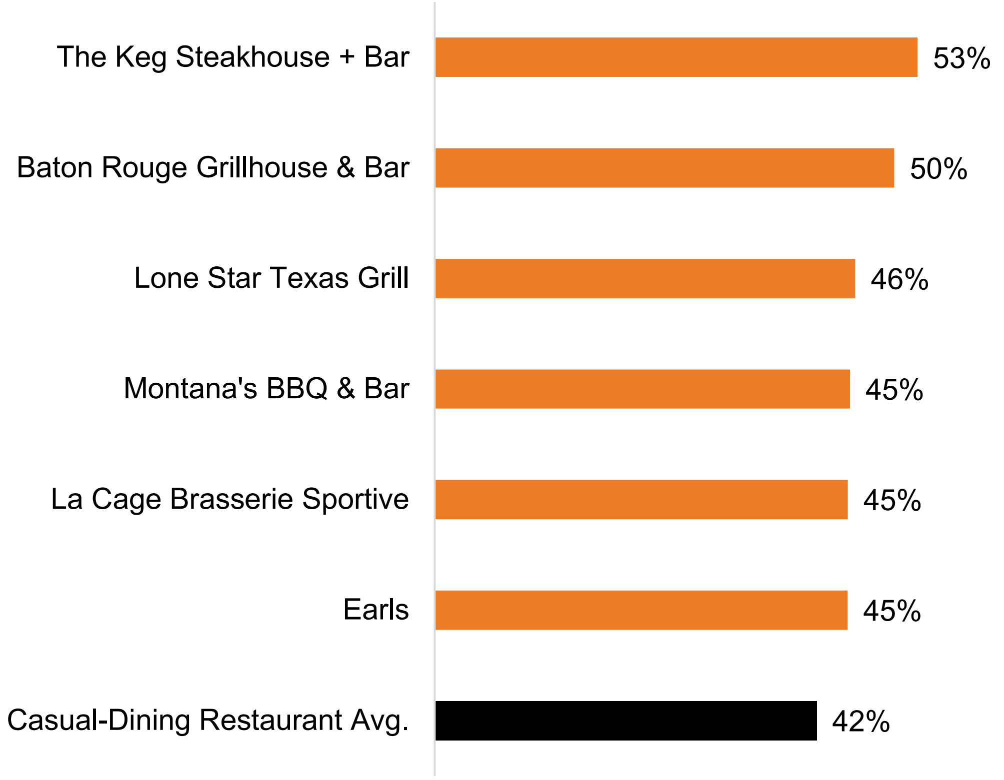
Forty-nine percent (49%) of consumers rate this attribute as important or very important, compared to 44% in the prior year. Gen Zers and millennials tend to prioritize this attribute more than others, with 57% of the combined group rating this attribute as important or very important.

In the chart to the right, we see the top-rated chains for alcohol beverage variety.

Ignite Consumer clients: Click here for more

Base: 400 recent guests per brand
Source: Technomic Ignite Consumer, Q4 2021-Q3 2022

TOP-RATED CHAINS FOR ALCOHOL BEVERAGE VARIETY
% WHO RATED VERY GOOD



Plant-based protein around the world

According to recent data, more than three-quarters of consumers order a dish featuring some type of plant-based meat alternative at least once a month, with another 69% expecting to order these items at an equal or higher rate over the next six months.

To better understand opportunities in this segment from an international perspective, Technomic asked consumers across 25 countries about their preferences among protein substitutions. Here are a few fascinating findings:

As seen in the chart, vegetable protein options consistently outrank plant-based meat alternatives, with tofu—the global leader in this category—tied for sixth place at 35%, and soy and pea protein rounding out the top 10 at a respective 30% and 26%. Meat analogues (19%), tempeh (15%), natto (11%) and seitan (10%) each captured less than a fifth of global consumers.

With the exception of meat analogues and seitan, demand for plant-based alternatives were strongly concentrated in the Asia-Pacific region, particularly in Southeast Asia.

Consumers in Thailand overindexed in each of the top five plant-based substitutes, with Indonesia, Malaysia, the Philippines and Singapore also frequently appearing as one of the top three markets for each of these proteins.

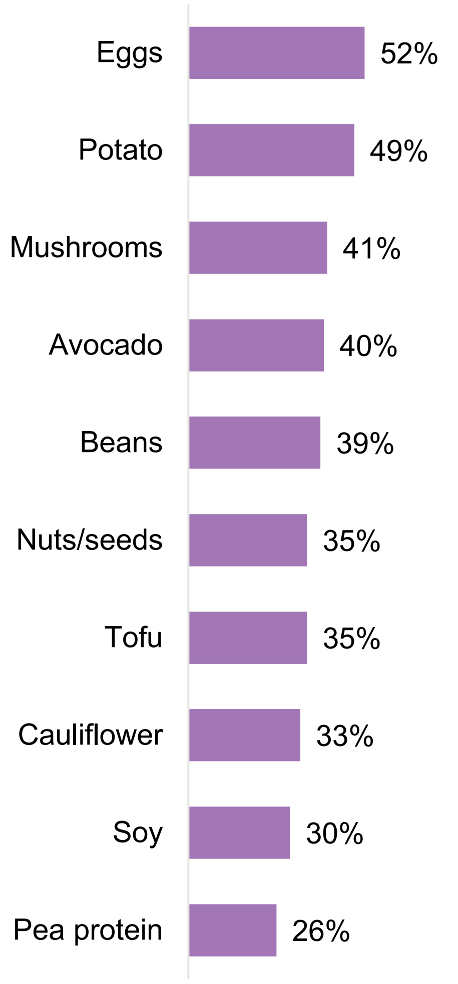
Among meat analogue consumers, Thailand (34%), the U.S. and the U.K. (33% each), and Canada (27%) notably overindexed against the global average.

Only Technomic tracks restaurant chain news and trends daily across 25 countries in a dozen languages to keep clients informed and ahead of their competition. Learn more here.

Global Navigator clients: Click here for more

Source: Technomic Global Foodservice Navigator Program

PROTEIN SUBSTITUTES GLOBAL CONSUMERS WOULD CONSIDER ORDERING



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Technomic

Since 1966, we have produced in-depth research focused on the foodservice industry.

We provide insights into consumer, industry and menu trends in the U.S., Canada and 23 countries around the world.

Our team of experts helps leaders in the industry make complex business decisions, set strategy and stay ahead of the curve.

Have questions?
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