



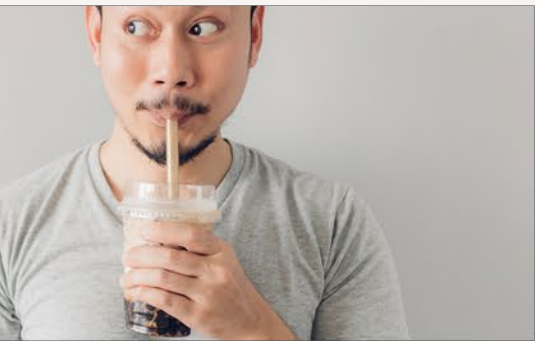
Technomic[®]

Industry Insights

A roundup of noteworthy Canadian foodservice findings for the week of Sept. 6, 2021



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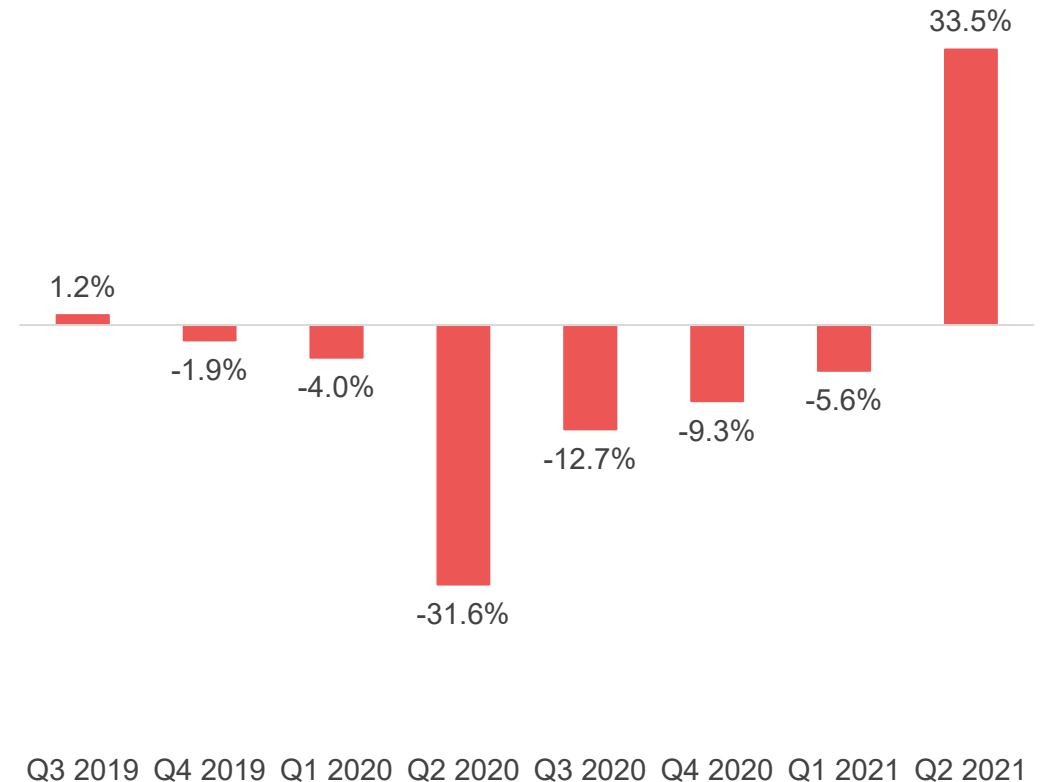
A&W Trends Upward Since COVID-19 Peak

A&W Income Fund announced its results for the second quarter of 2021, seeing same-store sales grow by 33.5% as compared to the same period in 2020. Same-store sales growth has trended upwards each quarter since the middle of 2020, when the impact of COVID-19 was at its peak.

Temporary closures challenged A&W throughout 2020 and into 2021. In mid-2020, as many as 230 restaurants were closed due to dining restrictions. As of July 27, 2021, only eight restaurants across Canada remained temporarily closed.

The growth is primarily attributed to increased guest counts and a reduction in the number of A&W restaurants that are temporarily closed. Additionally, the number of total restaurants in the Royalty Pool increased by 23 since mid-2020, bringing its total to 994 across Canada.

A&W CANADA SAME-STORE SALES
YEAR-OVER-YEAR CHANGE (%)



Source: Technomic Ignite Company

IGNITE MENU

Kids Fare Evolving to Healthy and Elevated Options

With back-to-school season in full swing, Technomic is looking at kids menus and how they are evolving. These menus have shifted since pre-pandemic times, with operators starting to offer healthier and more grown-up items in place of more standard child-friendly fare.

Over the past year, traditional kids menu offerings have declined, including kids grilled cheese (-16.5%), kids hamburger (-22.2%) and kids french fries (-36.4%), while lighter categories, such as kids salad, have seen an increase (+29.4%). This demonstrates the swap of some heavier dishes for healthier choices that millennial parents

most especially have increasingly been gravitating toward for their children.

Some of the fastest-growing ingredients on kids menus also illuminate this health movement, including cucumber (+15.7%), sweet potato fries (+9.7%) and grape (+9.4%).

Additionally, operators are applying a more sophisticated twist to some traditional kids classics such as mac and cheese, as demonstrated by Baton Rouge's Steakhouse & Bar's Kids Mac N Cheese Gnocchi.

These trends could indicate a shift toward kids offerings that are healthier and more mature.

Source: Technomic Ignite Menu, Q2 2020-Q2 2021

NOTABLE KIDS DISHES

	YOY Growth %
Kids Chicken Strips/Nuggets	0.0%
Kids Grilled Cheese	-16.5%
Kids Mac and Cheese	-3.4%
Kids Hamburger	-22.4%
Kids Specialty Drinks	+21.7%
Kids Salad	+29.4%



Image Source: Shutterstock

Safety in the Wake of the Delta Surge

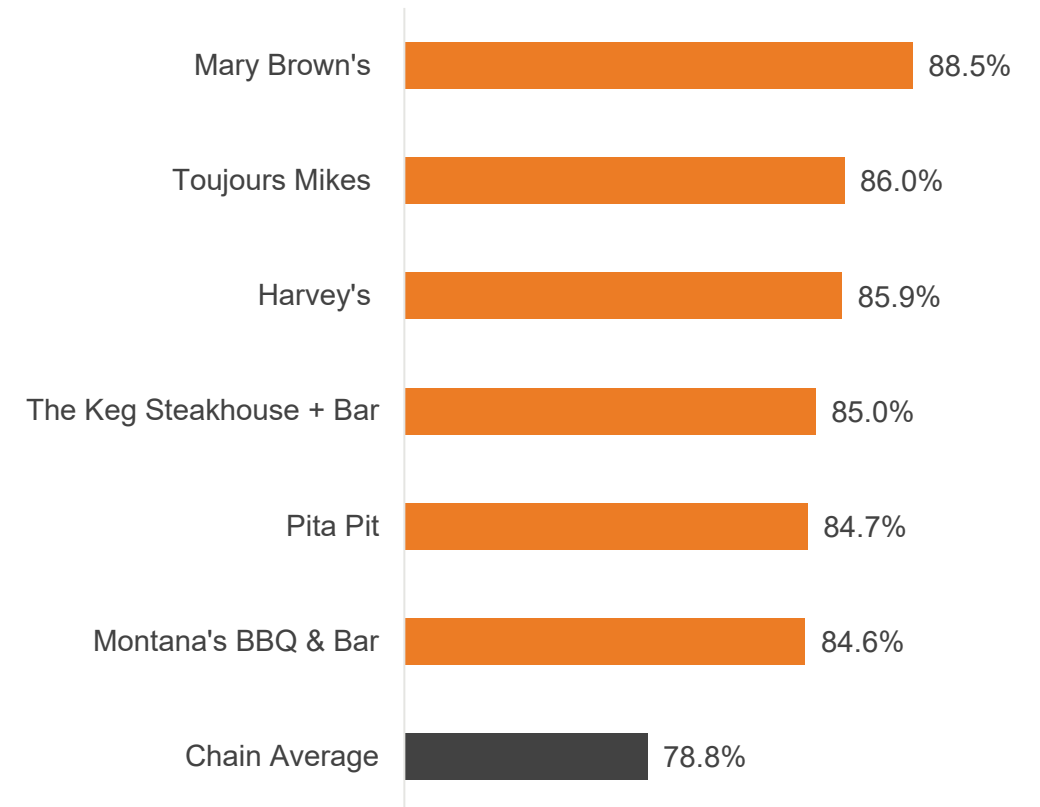
Uncertainties regarding the delta variant have caused some consumers to make changes in their dining behaviours. For others, it means that the safety precautions taken by operators continue to be a top priority when selecting where to dine.

In the year-ending Q2 2021 period, eight in 10 consumers (83%) say that “measures taken to keep employees and customers safe during the coronavirus pandemic” are important or very important when selecting a restaurant for an occasion. This metric remains consistent across each recent quarter.

The chart to the right shows best-in-class brands, highly rated by recent guests for the following COVID-19-related attribute measures:

- Staff use of PPE
- Observes safe social distancing
- Takes customer safety and sanitation seriously

BEST-IN-CLASS BRANDS FOR COVID-19 SAFETY ATTRIBUTES
TOP TWO BOX=% VERY GOOD/GOOD



Base: Varies; 400-700 recent guests per brand
Source: Technomic Ignite Consumer brand ratings data, Q3 2020-Q2 2021

Around the World in Six Menu Trends

As Technomic begins preparation for its 2022 global restaurant forecast, we take into account numerous menu trends emerging within local markets.

While these trends inform our global forecast, many also merit callouts.

Here are six trends across the globe culled from our global trend tracking:

1 Innovators Heytea, Sevenbus and others in China are showcasing niche fruits such as wampee and shine muscat in limited-edition tea drinks.

2 Chains such as McDonald's are also targeting night consumption in China with everything from half roast chickens to beer-flavoured boba.

3 The “liter of” trend that formed in

Indonesia last year is growing, with coffee and tea chains such as Kopi Kenangan and Starbucks launching more bottled-in-store barista drinks.

4 Chains in Australia are using mac and cheese as an entree topping rather than a side—Chicken Treat's Tempta Parmigiano Burger is a great example.

5 QSRs in Russia have been delving deeper into Mexican and nacho preparations this year.

6 Cannabis and CBD are starting to take off in France, South Africa and especially Thailand.

[Learn more](#) about Technomic's industry-leading global menu trend coverage. And see how we did with our [2021 global forecast](#) here.



Burger topped with mac and cheese
Image Source: Shutterstock

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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 about this report?

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