



Technomic[®]

Industry Insights

A roundup of noteworthy foodservice findings
for the week of Feb. 22, 2021

Digital Sales Drive Wingstop & Chipotle

Skyrocketing digital sales growth played a major role in the 2020 performances of both Wingstop and Chipotle, helping both brands maintain strong sales momentum in the face of enduring restrictions on indoor dining.

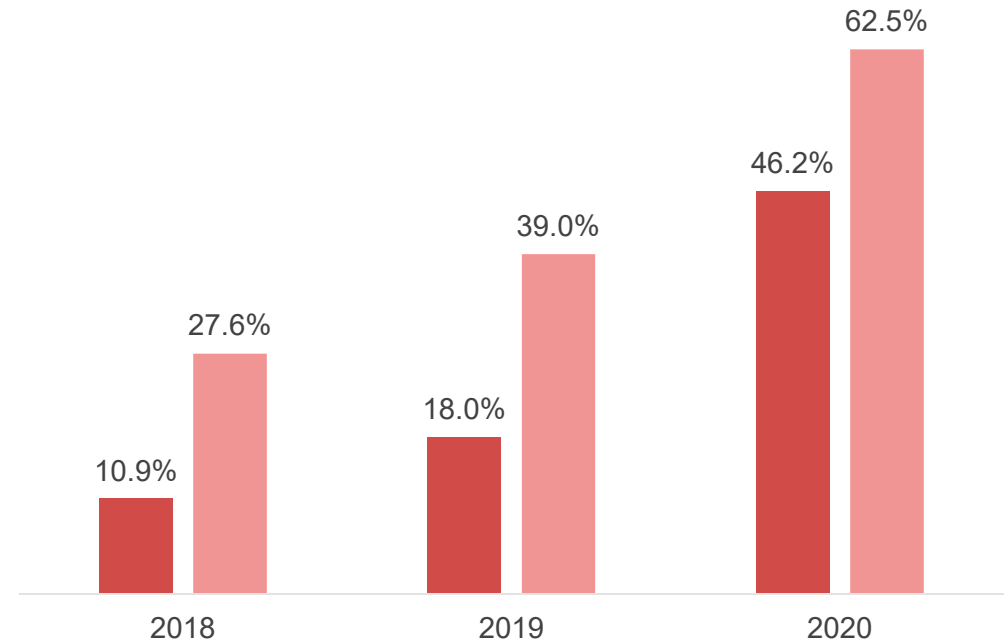
Wingstop ended 2020 generating more than 62% of its total sales volume via digital channels like its website and app. The year prior, less than 40% of the chicken chain's sales came from digitally based transactions.

At Chipotle, digital sales grew 174% on a year-over-year basis and represented more than 46% of the chain's total annual sales volume. About half of the

chain's digital sales were generated via delivery with the remainder coming from order-ahead transactions. In 2019, sales from digital transactions made up just 18% of the fast-casual chain's total sales.

DIGITAL SALES SHARE %
SHARE OF SALES VIA DIGITAL TRANSACTIONS

■ Chipotle ■ Wingstop



Sources: Technomic Ignite company data

The Next Big Thing in 2022

In our recently launched *2022 Trend Predictions* report, Technomic uses time-series modeling via artificial intelligence to determine what the menu trends will be two years down the road. The trends predicted to be the fastest growing in regard to operator penetration comparing Q4 2020 to Q4 2022 illuminate some larger macro trends.

Functional beverages stand out, with oat milk (+208%), bone broth (+67%) and kombucha (56%) seeing some of the greatest predicted two-year growth.

Spicy global ingredients are also emerging, with Mexican chamoy

(+120%), cayenne sauce (+100%) and citrus chipotle (+100%) all showing great momentum.

What these trends prove is that transparency (by way of health benefits), unique global fare and spicy infusions will continue to influence menus in the future.

Base: 6,937 operators with menus in Q4 2015-Q4 2020
Source: Technomic Ignite menu data
Note: Fastest growing and less than 2% penetration

Q4 2020 PENETRATION / Q4 2022 PENETRATION /
PREDICTED TWO-YEAR GROWTH

1. **Oat Milk**
0.40 / 1.23 / 208%
2. **Skin-On Fries**
0.07 / 0.16 / 129%
3. **Chamoy**
0.10 / 0.22 / 120%
4. **Nitro**
0.28 / 0.58 / 107%
5. **Cayenne Sauce**
0.06 / 0.12 / 100%
6. **Citrus Chipotle**
0.07 / 0.14 / 100%
7. **'Nduja**
0.13 / 0.24 / 85%
8. **Bing Cherry**
0.06 / 0.11 / 83%
9. **White Chocolate Sauce**
0.18 / 0.32 / 78%
10. **Bone Broth**
0.12 / 0.20 / 67%

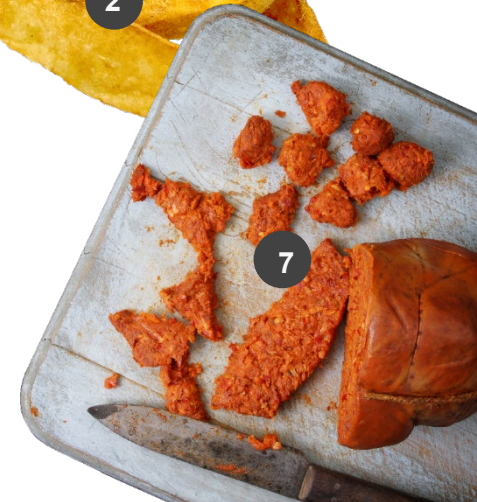


Image Source: Shutterstock

Restaurant Frequency Recovery Rate Still Sluggish

During the fourth quarter, just 2% of consumers indicated they have never visited or ordered food from restaurants since the onset of the COVID-19 pandemic.

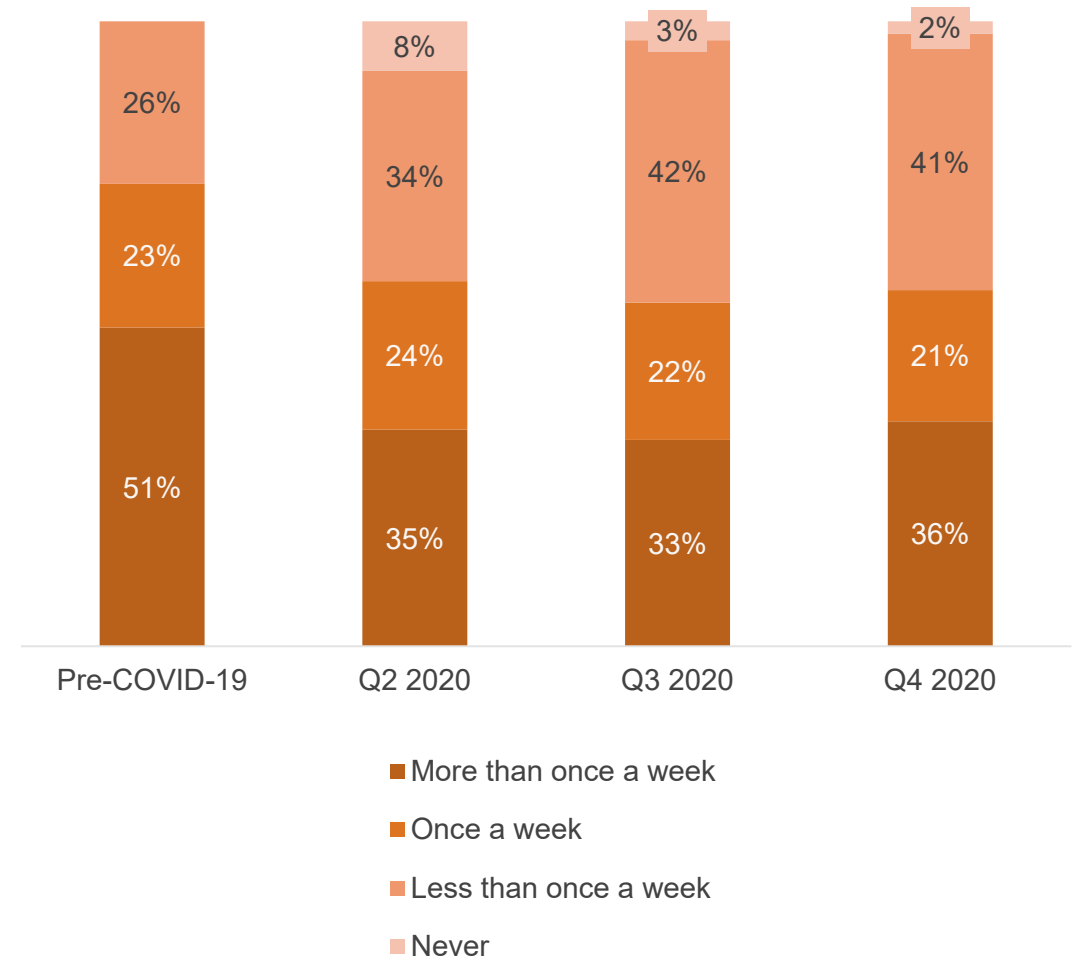
The fact that more than one-third of Americans (36%) still visit or order food from restaurants more than once per week is somewhat encouraging. However, the general decline in overall frequency is widespread and cuts across most consumer demographics.

The number of Americans who use restaurants less than once per week

appears stubbornly high. Taken together with recent weekly jobless claim numbers, these factors may serve to temper expectations for a quick return to pre-COVID-19 foodservice routines.

Base: 27,300 consumers ages 18+ per period shown
Q: Since the recent pandemic occurred, how often do you order food from any type of restaurant and either eat it at the restaurant, have it delivered or pick it up at the restaurant to eat it elsewhere?
Source: Technomic Ignite consumer data

OVERALL RESTAURANT OCCASION FREQUENCY



2021 Global Holiday & Event Guide

Holidays and events create opportunities to drive sales throughout the year. Common promotions tied to these days and periods include LTOs and deals.

But what are the key holidays and events that impact restaurant promotions on a global or regional scale? Technomic's new global menu category reports provide insight into these important dates throughout the year.

Here's a brief summary for 2021:

Holiday & Event Days

- New Year's Eve/New Year
- Valentine's Day

- Halloween
- Diwali
- Black Friday
- Singles' Day/Nov. 11
- Christmas

Seasonal Events

- Veganuary
- Lent
- Chinese New Year/Lunar New Year
- Sakura/Cherry Blossom Season
- Ramadan
- Fall/Autumn/Moon Festival



Sakura season influences menu development in Japan and across many parts of Asia early each year, often expressed through pink foods and drinks
Source: Starbucks Japan press release

COVID-19 DISRUPTION INDEX

COVID-19 Disruption Index is powered by [Shortest Track](#), utilizing AI, machine learning and disparate sets of data resources to quantify the potential risks that U.S. businesses face from the spread of the COVID-19 virus at the market level.

The highest index possible is 1.00, which is not good and reflects markets that are extremely disrupted. The index is updated on a weekly basis.

The COVID-19 Disruption Risk Index shares weekly updates through a business lens, rather than a health lens, and incorporates more than 20 different data signals to measure disruption and predict future impact. These signals include infection rates, deaths, state-level restrictions and social distancing requirements, population densities and mobility, group size limitations and lifestyle risk factors contributing to spread. More information is available [HERE](#).

Change Versus Previous Week and Month

Change versus previous week/month allows users to see if the market is becoming more or less disrupted over time. Changes that are positive (+) show a move toward becoming increasingly more impacted by COVID-19 (not good). Changes that are negative (-) show a trend toward being less impacted by COVID-19 (good).

Ignite Subscribers: [Download full market report](#)

TOP 5 MOST DISRUPTED MARKETS BY INDEX POINT CHANGE (VERSUS PREVIOUS WEEK)		COVID-19 DISRUPTION INDEX (MAX: 1.00, HIGH DISRUPTION)	PERCENT CHANGE VERSUS LAST WEEK	PERCENT CHANGE VERSUS LAST MONTH
1	Mansfield, Ohio	0.545	1.50%	2.74%
2	Dayton, Ohio	0.543	1.42%	2.13%
3	Florence, S.C.	0.349	2.21%	14.65%
4	Springfield, Ohio	0.442	1.69%	3.78%
5	Columbia, S.C.	0.331	2.25%	15.57%

Notes: Data updated Feb. 15, 2021

Source: [Shortest Track](#)

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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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312-876-0004
info@technomic.com
technomic.com