



# WHAT'S HOT 2019

## INSIDE

CONSUMER SPENDING  
PREDICTIONS

FUTURE FLAVOURS  
FORECAST

CREATIVE MENU  
ENGINEERING TIPS



## CONTENTS

<b>Into 2019</b>	<b>p3</b>
<b>Consumer trends</b>	<b>p4</b>
<b>Food trends</b>	<b>p9</b>
<b>Future flavours</b>	<b>p14</b>
<b>Adapting to the impact of Brexit</b>	<b>p18</b>
<b>Combat the costs</b>	<b>p22</b>
<b>Create an appetite for NEW</b>	<b>p24</b>

*This document is a trend report that presents findings and observations from the foodservice market.  
McCain Foodservice is not endorsing any of the brands or information featured.*

# INTO 2019

As we prepare our latest insight document on the trends and issues surrounding the out-of-home market, we are in the throes of the debate on the UK's withdrawal from the EU.

We believe that this heightens the importance of understanding trends and finding solutions that can really help your operation in 2019. From keeping customers excited with new menu concepts to creative menu engineering ideas, we hope our report can offer practical advice as well as useful insight.

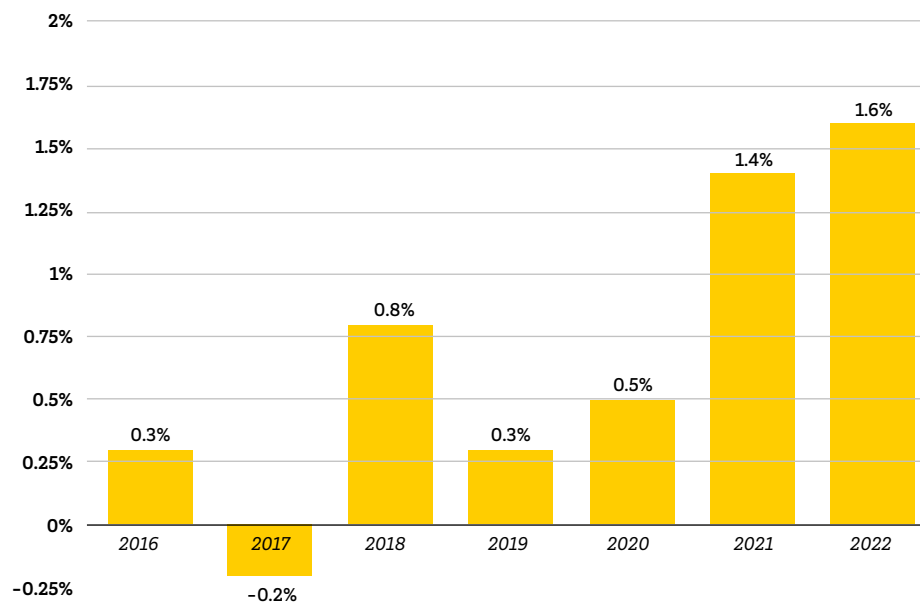
Our Brexit update has been written by Andy Jones, chair of the PS100. Launched in 2011, the PS100 group comprises caterers, dietitians, politicians, healthy eating campaigners and suppliers who operate in the public sector and use their collective 'clout' to drive government legislation and action towards helping people adopt healthier lifestyles through catering and education initiatives. Andy has written widely on the impact of Brexit including for The Observer, and we welcome his views.

Despite these challenges, it is our intent to help operators like you be prepared. Regardless of a soft Brexit or a hard Brexit, foodservice operators that invest for the future and give consumers product quality and 'value for experience' can look forward to growing their business in 2019.

# CONSUMER TRENDS 2019

## Future consumer spending and disposable income

Forecasted percentage change of real household disposable income in the UK, 2016 to 2022:



Source – Statista report 2018

Consumer spending accounts for more than two thirds of UK GDP and is therefore the most important driver of UK economic growth. Strong consumer spending growth has played a central role in the recovery of the UK economy since 2012, but it slowed in 2017 as real incomes were squeezed. However, it has since grown by an average of 2.3% per annum faster than inflation over the past five years, supporting the UK recovery over that period.

Looking ahead, it is expected that real household income growth will pick up gradually from 0.8% per year in 2018 to 1.4% per annum by 2021, while the household savings ratio continues to decline.

It is thought that households will spend over 30% of their budget on housing and utilities by 2030, up from around 27% in 2017.

Spending on financial services, personal care, recreation and culture will increase relatively rapidly over time. Spending on food, clothing, alcohol and transport will tend to decline.

However, according to new predictions from the NPD Group's Foodservice Industry Outlook, the UK foodservice sector will see a rise of 0.8% in 2019.



## But what's happening to consumer confidence?

Consumer confidence was at a record high during March, April and May 2018 but saw a decline in July, August and September. This was due to a decline in sentiment about levels of disposable income.

Although consumers were less optimistic about their personal finances at the end of 2018, they were still relatively confident about the job market.

As consumer confidence falls, consumer spending is also down on both essential and discretionary categories compared to the previous quarter.

Consumers are entering 2019 in a relatively cautious mood. Their confidence will most likely be linked to how the Brexit negotiations progress and the manner of the UK's departure from the EU.



Source: Deloitte tracker 2018

**Here at McCain, we believe there are clear impacts for the eating out market as we move into 2019**



Buying British produce will become increasingly important. Not only to reassure customers of your commitment to local sourcing but for peace of mind for you in terms of supply and availability with the fallout of the Brexit negotiations.

Tempting customers to part with their disposable income is about the value of the total experience. It's not just about the quality of the food and drink served, it's how every consumer touchpoint and every interaction consistently adds value.

<https://www2.deloitte.com/uk/en/pages/consumer-business/articles/consumer-tracker.html>

The number of consumers who eat out weekly has stayed static at around

**47%** since 2015



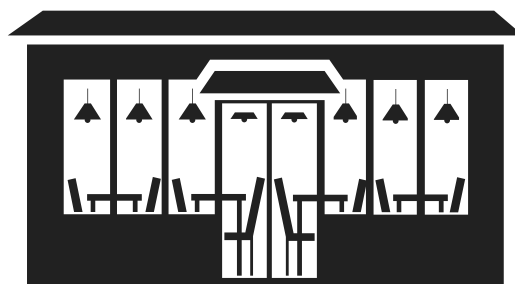
**OVER 50% OF US CARE WHERE INGREDIENTS COME FROM**

Consumers link



Compromised quality = drop in perceived value  
Some brands are retaining loyal customers by not compromising on quality even with rising ingredient costs

The number of food outlets remain static



Consumers are going

**PREMIUM**



Seen especially in drinks market

**49%**

**OF CONSUMERS SAY THEY WOULD PREMIUMISE THEIR DRINK (UP 4PP SINCE 1YA)**

(CGA BrandTrack April 2018: Peak Food, Premiumisation & the Consumer)

**78%**

**OF DINERS SAID QUALITY IS MORE IMPORTANT THAN PRICE**

McCain Facebook poll Dec 2018, 2,708 respondents

**PROPORTION OF CUSTOMERS LIKELY TO REVISIT – INDEXED VS RESTAURANT AVERAGE**

**wagamama**

Apr 2013

Apr 2018

**+4p.p**  
(61%)

**+8p.p**  
(69%)

**Nando's**

Apr 2013

Apr 2018

**+4p.p**  
(60%)

**+6p.p**  
(67%)

Source: CGA 2018



## In 2019 consumers want the opportunity to ...



**Treat themselves** – offer totally indulgent options that customers would never eat at home, like triple cooked fries alongside more healthy dishes.



**Go premium** – give your customers the opportunity to upgrade their food and drink to drive extra revenue whilst still offering great value. Upgrade to a wagyu beef burger and from standard fries to Sweet Potato Rustics or fries.



**Add extras** – Menu bolt-ons are a great way to allow personalisation and help you combat rising costs of some ingredients. From burger and steak sauces to topped fries and side orders such as cheese bites.



**Have what they want when they want it.** Pubs serving breakfast, cafes serving beer – these are the norm in 2018. Your menu needs to be flexible and work hard across merging day parts.



# FOOD TRENDS FOR 2019







## Bark-infused food

Bark-infused creations using pine, cherry tree, sweet birch and fur are set to be big for 2019. A staple ingredient in root beer, bark has a unique, woody sweetness that lends itself to innovative sauces, seasonings, custards, pastries and wines. Expect to see everything from infused gin and brandy to croissant dough wrapped around cherry tree branches and baked to infuse flavour.

Add a real talking point to the menu with pine-infused fries.





## SZECHUAN HOT POTS

A bubbling cauldron of broth with immense levels of chilli and spice where vegetables and proteins are tossed in by guests to the desired level of doneness. It's a communal eating experience that is making dinner a competitively incendiary sport across the US. HaiDiLao Hot Pot has opened its first London restaurant.



<https://london.eater.com/2018/7/2/17524916/hai-di-lao-china-new-london-restaurant-hot-pot>



## UPCYCLING

It's not a new concept but it is seeing traction as a key trend for Gen Z customers in 2019. It's all about finding creative ways to utilise food waste or 'ugly' ingredients in unexpected ways.

The trend for repurposing and noshing on produce that may have otherwise gone to waste will help you reduce your kitchen waste and attract young customers by adding 'upcycle-inspired' recipes to the menu.

Try pureeing carrot, broccoli and cauliflower stems into a vegan marinara sauce or add freshly scraped vanilla beans into maple syrup, instead of throwing them away. Add a wow factor to your Sweet Potato Rustics by drizzling them with your homemade vanilla maple syrup.

Find more ideas here <https://www.mccainfoodservice.co.uk/recipes>

## UPCYCLING IN PRACTICE

Milan-based designers Simone Caronni, Pietro Gaeli and Paolo Stefano Gentile are developing packaging to appeal to future generations and transforming leftover potato peels into packaging for fries. Their creation, Peel Savers, is 100% biodegradable, and can be re-purposed as animal food or fertiliser.\*



Chip[s] board are delivering materials for the future. They are using McCain peelings to create eco-friendly board for furniture and events. \*\*



\*<https://thisismold.com/visual/food-design-fridays/food-design-friday-potato-peel-packaging-a-house-made-of-chocolate-and-nutrigenomics#.XAkGQi10fdd>

\*\* <https://www.chipsboard.com/about-us/>



# ÉCLAIR IS THE NEW CUPCAKE

Get ready for the éclair invasion – and we believe it has serious staying power. It may even become, dare we say, the next cupcake! In France, éclair and choux pastry shops are opening under big pastry names, and it's only a matter of time before they overtake cupcakes and macaroons.



<https://www.eatlivetravelwrite.com/2014/02/the-art-of-the-eclair-at-bonnie-gordon-college-of-confectionary-arts/>

## SWEET ON SOUR

Has the trend for bitter turned sour? 2018 was about bitter coffee, dark chocolate, broccolini ... 2019 is about sour. Think Korean, Filipino cooking and Persian flavours. Try adding sticky Korean Beef Sweet Potato Rustics to your sides menu.



## FILIPINO DISHES

will become more popular using vinegars in braised dishes, marinades and dipping sauce ... even in their version of ceviche; vinegar-based chicken adobo (not to be confused with Mexican adobo) is a national signature. Filipino lemonade 'calamansi' gets trendy with its tart undertones.



## PERSIAN INGREDIENTS

will grow in popularity - dried limes, tamarind, pomegranate and sour plums will be seen more on menus.

## KING KOMBUCHA WILL REIGN

This fermented, slightly alcoholic, lightly effervescent, sweetened black or green tea with supposed functional health benefits will become more popular across menus.



## NOOTROPICS

refers to foods and supplements that make your brain happy, otherwise known as brain food. Health continues to be a top concern for consumers, with heart and gut health as particular points of emphasis. It was only a matter of time before consumer focus began to shift – 2019 is the year of cognitive health. Although nootropic supplements are not likely to make their way onto mainstream menus, consumers will become more aware of brain-healthy ingredients and seek them out on menus.



# **FUTURE FLAVOURS**

## **FOR 2019 AND BEYOND**







*King oyster mushrooms*



*Sorghum*



*Moringa*



*Savoury yoghurts*



*Honey or bee pollen*



*Nasturtium (edible flowers)*



*Artisanal butters*



*Sustainable seafood*



*Bitter stone fruit*



*Oat milk*



*Shiso leaf*



*Zhong*





*Food from Azerbaijan, Kazakhstan*



*Floral infusions in plain old water*



*Hemp in cocktails, soft drinks*



*Vegan ice cream*



*Umami-boosting, meat-aging Koji*



*Asian pastry/sandwich shops*



*Pour-your-own-beer systems*



*French cooking*





*Sour calamansi aka calamondin*



*Khachapuri*



*Jewish food*



*No-alcohol cocktails at fancy martini prices*



*Tahini*



*Szechuan peppercorns reappear in hot pots and dry pots*

## HOW CAN McCAIN HELP?



*Flavouroligists and award-winning restaurateurs 'Salts of the Earth' present the taste profiles that will be driving menus forward over the next year and explain how they can add value to your menu.*







# ADAPTING TO THE IMPACT OF **BREXIT** OR MAYBE NOT!



*A view from Andy Jones, Chair of the PS100*

We all know the impact that Brexit is having! Food prices are volatile and recruitment and retention of staff, our most valuable resource, may never be the same again. But one thing is for certain: we must get on and adapt, whatever way this Brexit issue ends!

Operators never really face challenges, they just adapt and lead with passion and drive and do everything to ensure our customers receive great food and service, whatever sector we are in.

However, the impact on the catering industry is sadly not receiving much coverage in the media, and it is one of the sectors that could be most impacted, from hotels, commercial outlets, contract catering to the public sector.

Budgets are being squeezed almost daily and cost improvements are becoming the norm in all sectors. Added to this, many if not all our customers have faced austerity wage caps, which means that we have to ensure our menus, offers and prices remain competitive in all outlets. All this together with customers demanding more value for money, innovation, higher quality, sustainable and ethical procurement and improved staff productivity.

On 29th March Brexit is set to happen and we will begin the process of the 'official divorce' from the EU. But what does that look like for caterers? Many are saying business as normal and they may be right, but others are predicting the biggest meltdown since the millennium bug threat! In my opinion, things will change (see page 20).

The biggest issue that the sector faces is not food, it's a shortage of staff, and

we are already seeing the impact. In my opinion, if we get a hard Brexit it could be catastrophic for the industry. The labour force we rely on, especially in the cities, could evaporate and those left could be more attracted to work in other areas that offer better pay. That's a reality, so we should look at lobbying government for funding to help with recruitment and training. This would mean working with sector skills bodies to attract the next generation whilst still at school. Those who wish to come and work in the UK will be tied up in regulations and paperwork, which may deter many, and those who do come may only be allowed to do so for a short time.

Since the vote in June 2016, we have seen prices increase and some food categories being in short supply, with the latter being more around climate issues than Brexit. In my view, Brexit will not result in the over-challenging shortages that some are predicting. The French, Spanish and Italian farmers will still want to sell us their produce and will demand the right to do so from their own governments.



\*Source: <https://www.bbc.co.uk/news/business-36391621> \*\*Source: WGSN insight report – Food 2017



However, it will bring us some key challenges:

- **Food security** – EU standards have meant that, in the main, we can be assured that what we buy is fit for purpose and will do others no harm. Looking at other countries to supply us products may potentially not give us that chain of custody.
- **Food inflation** – We have seen food prices since 2016 rise beyond inflation:
  - **Fish and seafood** – *risen 25% in the past 12 months driven by lower catch quotas and rising demand for cod and haddock*
  - **Oils and fats** – *risen 30% again as the impact of last year's butter shortage filters through*
  - **Climate impacts** – *our dry summer is now seeing the impact on traditional items like carrots, and milk yields are down due to many farmers using winter feed in the summer*

**Food prices could rise even further with Brexit, driven by:**

- *Currencies exchange rates and further impacts on crude oil*
- *With border controls in place, those 'just in time' goods will have shorter shelf lives so wastage due to spoilage will drive up costs*
- *UK goods will for a time become a premium as yields settle*
- *And some will jump on the 'Brexit' bandwagon and inflate prices*

It's not all doom and gloom however, and we should look and seek out the opportunities Brexit or No Brexit brings. UK farmers should engage more with caterers and educate our customers. It's also important to see how locally sourced produce could be implemented with more scale.

Being flexible means simple and quick changes to menus:

- **Fruit** – *Don't name it and just put Seasonal Fruit so in summer we use soft fruits, then autumn – English apples*
- **Vegetables** – *Don't name it – Seasonal vegetables*
- **Soups** – *Soup of the day*
- **Desserts** – *Chef's Special*

So with Brexit comes the opportunity to support British suppliers and support initiatives like 'Love British Food'.



# HOW CAN McCAIN HELP?

We are   
**ROOTED  
IN BRITAIN**



**All McCain chips and Chef Solutions Simply products are made using only British potatoes grown by our own farmers here in the UK, helping chefs and operators serve local British produce they can be proud of.**

- Rooted in British business - ploughing profits back into the UK economy
- Rooted in British agriculture - the largest purchaser of British potatoes, working together with generations of growers
- Rooted in local communities - supporting many local community charities and investing in educational courses, supporting the first UK MEng Food Engineering Degree

**[Discover more here](#)**

# COMBAT THE COSTS

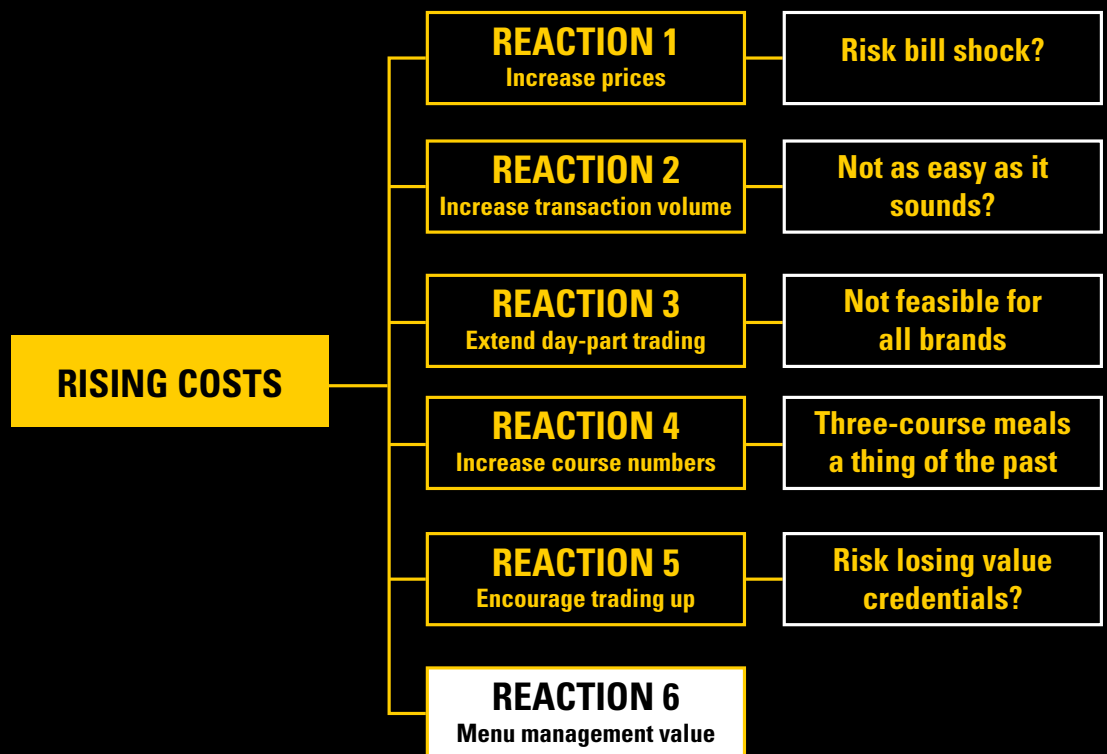
The increasing cost of ingredients has been cited as the no. 1 challenge next year.

**Which is the most critical factor impacting changes in menu prices? Multiple choice, % of respondents**



Operators are using more creative menu engineering to keep the integrity of their dishes and still deliver an experience that keeps customers coming back.

There are various different ways to tackle rising costs but each has its own impact.





## MENU MANAGEMENT VALUE

Finding the right way to deal with rising costs can be difficult, but with the right menu management it is possible to add margin-building dishes and engineer existing dishes with less risk to your brand.



**MAPLE-GLAZED BACON** £10.95  
7oz beef burger, Monterey Jack, maple-glazed bacon, American style mustard, pickles and BBQ sauce

**MAPLE-GLAZED BACON** £12.50  
6oz beef burger, maple-glazed bacon, melted cheese, little gem lettuce, beef tomato and mustard mayo



**FULL MONTY MIXED GRILL** £10.49  
5oz rump steak, 2 pork sausage, 1 chicken breast and a 5oz gammon steak topped with a free range egg and a grilled pineapple ring. Served with chips, onion rings, peas, a flat mushroom and a half grilled tomato

**FULL MONTY MIXED GRILL** £10.79  
5oz rump steak, 2 pork sausage, 2 chicken fillets and a 5oz gammon steak topped with a free range egg and a grilled pineapple ring. Served with chips, onion rings, peas, a flat mushroom and a half grilled tomato



**BLAZING BIRD** half 12.50 whole 17.50  
Our spicy chicken marinated with fiery sauce, served with slaw & fries, sweet potato mash or salad  
Choose from: Honey peri-peri sauce/Spicy barbecue jerk sauce/Vivo: Flaming hot habanero sauce

**BLAZING BIRD** half 12.50 whole 17.50  
Our spicy chicken marinated with fiery sauce, served with slaw & fries, or salad. Sauced up with your choice: Honey peri-peri/Spicy bbq jerk/Vivo: Flaming hot habanero



**VEGETAIANO (V)** 19.75  
Bravas, padrón peppers, tortilla, arzúa frito, baby aubergine, txigorki

**VEGETAIANO (V)** 19.75  
Bravas, padrón peppers, tortilla, arzúa frito, aubergine, txigorki

Many brands are adjusting their menus very slightly to mitigate the price pressures on key menu items. For instance, Las Iguanas removed sweet potato mash from the core dish and offered it as a bolt-on. Pitcher & Piano and Hungry Horse used smaller portions of key ingredients. Camino switched baby aubergine to a standard aubergine.

Some operators are simplifying their upselling options and charging an average price rather than applying individual costings.

Add...  
Extra Grilled Chicken Breast Fillet  
1/2 Avacado/ Grilled Halloumi Cheese

each +3.20  
+1.15

Add...  
2 Chicken Thighs **NEW**  
Grilled Chicken Breast Fillet  
1/2 Avacado/ Grilled Halloumi Cheese  
Houmous with PERI-Seeds & Grains **NEW**

+3.75  
each +3.20  
+1.15  
+1.15

<b>BURGER</b> topped with Monterey Jack cheese and grilled onion		
<b>BARBECUE BRITISH STEAK BURGER</b> Minced beef, prime British steak, topped with pulled barbecue beef and Monterey Jack cheese	£12.95	
<b>SWEET POTATO AND RED BEAN BURGER</b> + topped with ricardese ribbons & hot sauce	£10.95	
<b>ADD YOUR FAVOURITE TOPPING TO YOUR BURGER...</b> Bacon, Seltzer, Onion leaf each £1.00 Monterey Jack cheese, Barbecue sauce, Guacamole, Jalapeño, Flatbread, Sides, each £0.50		
<b>BALSAMIC &amp; ROSEMARY GLAZED LAMB RUMP</b> Served with champagne potatoes, vegetable medley, chorizo, peas, white sauce and a red-coriander sauce	£18.75	
<b>BARBECUE GLAZED CHICKEN</b> topped with Monterey Jack cheese, smoked barbecue sauce and crispy potato chunks. Served with our crispy onion leaf, toast, sweet potato fries and fresh slaw	£11.95	
<b>TEMPURA BEER BATTERED COD</b> With seasoned fries, tempura batter sauce and melted cheddar sauce	£11.50	
<b>ROAST CHERRY TOMATO GNOCCHI</b> With grilled goat cheese, asparagus, peas and roasted herbs	£11.50	
<b>COUS COUS, QUINOA AND PECAN NUT SALAD</b> Blended with mixed baby leaves, herbaceous dressing and dressed with a fresh tomato vinaigrette with chicken breast £11.95, with rump steak £12.95, with lamb £13.95		
<b>SIDES</b> Mixed Salad, lettuce wedge with choice of Dressing, each £2.95, Seasoned Fries with Cheese & Chive Mayonnaise, Sweet Potato Seasoned Fries, Our Famous Onion Leaf, Grilled Asparagus, each £1.50		

Operators like Miller & Carter are using clever price positioning by moving the prices from a separate individual column and putting them next to menu descriptions, thereby encouraging customers to choose a dish based on products rather than on immediately looking at prices.

<b>SWEET POTATO &amp; RED BEAN BURGER</b> + topped with ricardese ribbons & hot sauce	£10.95
<b>ADD YOUR FAVOURITE TOPPING TO YOUR BURGER...</b> Bacon, Seltzer, Onion leaf each £1.00 Monterey Jack cheese, Cheddar, Jalapeño, Sides, each £0.50	
<b>BARBECUE GLAZED CHICKEN</b> topped with Monterey Jack cheese, smoked barbecue sauce and crispy potato chunks. Served with our crispy onion leaf, sweet potato fries and dressed slaw	£11.95
<b>LEMON &amp; ROSEMARY LAMB RUMP</b> Served on Moroccan style brown rice, quinoa and chickpeas, with tenderstem broccoli, green beans and rich bordelaise sauce	£18.75
<b>MUSHROOM &amp; BLACK TRUFFLE TAGLIATELLE</b> + Lemon & oil tagliatelle with mushrooms, asparagus, tenderstem broccoli and a Forest Mushroom & Black Garlic sauce	£11.50
<b>MOROCCAN STYLE SUPERFOOD SALAD</b> + Roasted root vegetables, brown rice, quinoa, tenderstem broccoli, grapes and baby leaves with a pineapple & ginger dressing	
with grilled chicken breast £12.95 with 30 day aged rump Roast £14.50 with grilled goat cheese £16.95	
<b>SOMETHING ON THE SIDE</b> Mixed Salad, Dressed Slaw, Battered Onion Rings, lettuce wedge with choice of Dressing, each £2.95, Roasted Root Vegetables, Seasoned Sweet Potato Fries, Our Famous Onion Leaf, each £3.50	

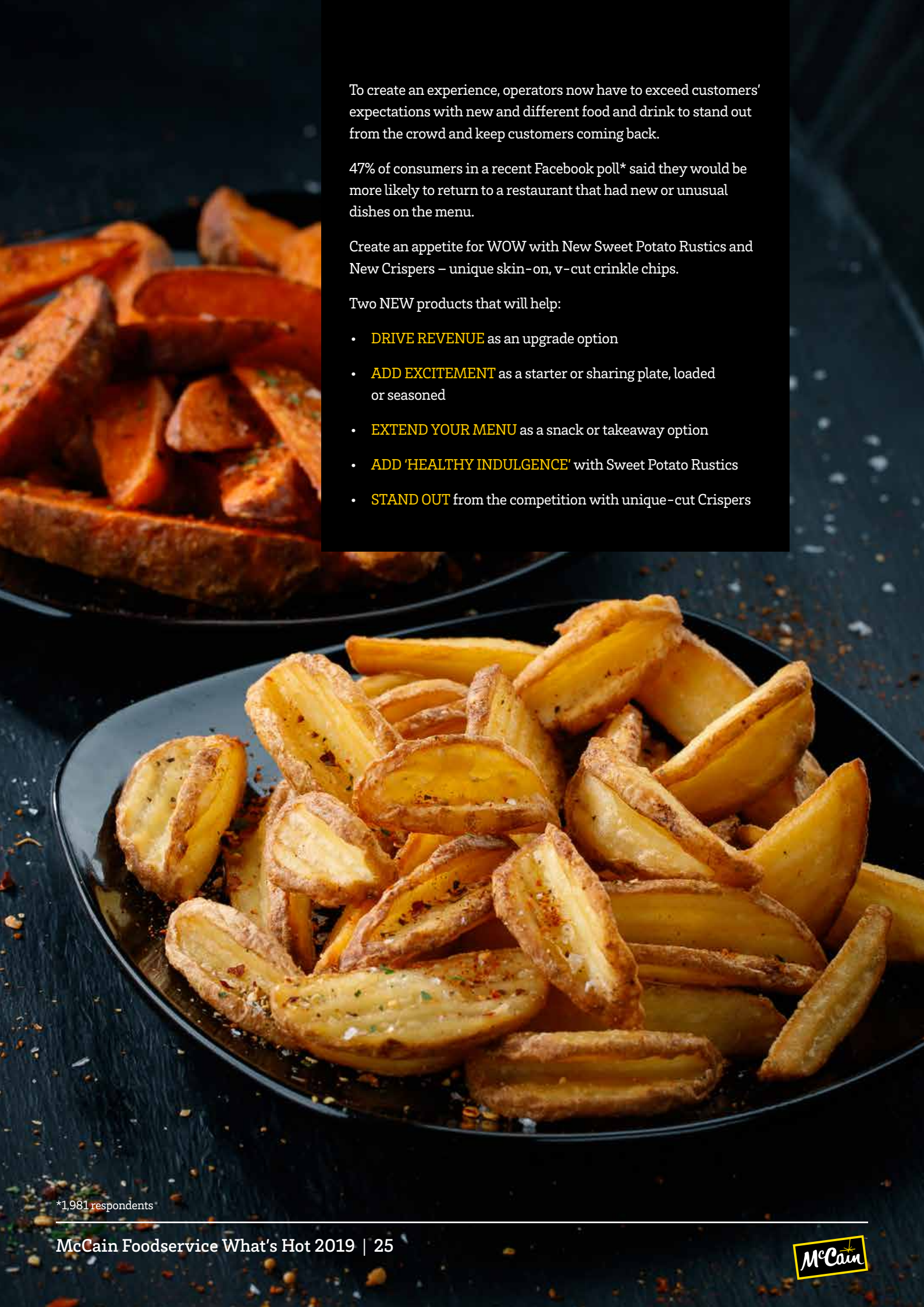
# CREATE AN APPETITE FOR NEW IN 2019

We all know customers want a great experience when they eat out ... but what does that actually mean in 2019?

Well, quality is now an expectation and is viewed as an essential part of eating out.







To create an experience, operators now have to exceed customers' expectations with new and different food and drink to stand out from the crowd and keep customers coming back.

47% of consumers in a recent Facebook poll\* said they would be more likely to return to a restaurant that had new or unusual dishes on the menu.

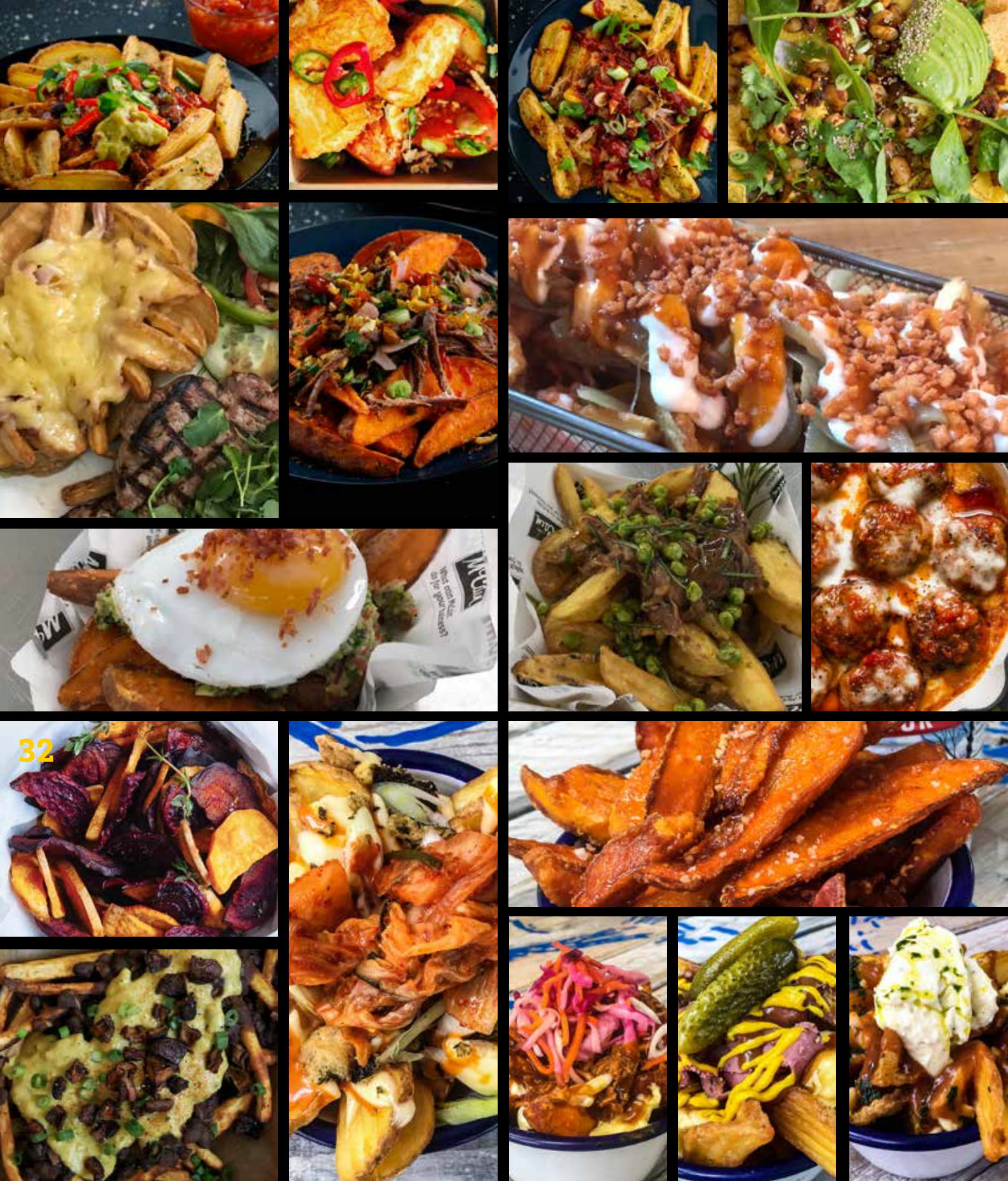
Create an appetite for WOW with New Sweet Potato Rustics and New Crispers – unique skin-on, v-cut crinkle chips.

Two NEW products that will help:

- **DRIVE REVENUE** as an upgrade option
- **ADD EXCITEMENT** as a starter or sharing plate, loaded or seasoned
- **EXTEND YOUR MENU** as a snack or takeaway option
- **ADD 'HEALTHY INDULGENCE'** with Sweet Potato Rustics
- **STAND OUT** from the competition with unique-cut Crispers

\*1,981 respondents\*





32

We've crowdsourced [50 ideas](#) from street food traders, casual dining operators and chefs to bring you the best concepts in toppings, seasonings and sharing plates that will satisfy your customers' appetite for NEW in 2019.





[www.mccainfoodservice.co.uk](http://www.mccainfoodservice.co.uk)

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