

How Tomorrow's Restaurants Work:

5 Trends Shaping Tomorrow's Tastes



Burger King has always been an innovator-- experimenting with everything from menus to the broiler technology that flavors burgers with a signature char-broiled taste. The brand's introduction of the plant-based [Impossible™ WHOPPER®](#) signals a mass-market shift to alternative diets and the acceleration of healthier options in fast food, driven by consumer demand and innovation in food engineering.

Quick service restaurants face continued pressure to reinvent menus and food occasions, create new seasonal limited time offerings, localize options for global tastes, and evolve to meet the needs of emerging and growing food tribes. Restaurants are being rewarded for these moves by consumers, and for the menu transparency that spotlights them.

Anchoring many brands' current R&D strategies are "better-for-you" ingredients and healthy alternative recipes. Disruptive options are grabbing headlines more often since the extension of the [Food and Drug Administration \(FDA\)](#)'s requirement to publish nutritional information and calorie counts has sunset. 40% of the US population is obese, and 70% is overweight, and consumers want options to address these challenges. Healthier, plant-based dishes served in smaller portions are rounding out menus and improving calorie perception in the checkout line. This trend is being fueled in part by Millennials, who eat out more than they shop for groceries, and seek minimally-processed and [whole food-based ingredients](#) like whole grains, fiber, and "good fats." Millennials' quest for perfect avocado toast, power bowls, and MCT coconut oil-spiked coffee is keeping restaurant innovation teams busy. The sharp increase in [healthy fast-casual outlets](#) emerging is putting pressure on legacy restaurant groups to phase out artificial ingredients and preservatives. Industry leaders like Chipotle, Panera and Chick-fil-A have introduced consumers to new standards of ingredient transparency and supply chain transformation and changed the national conversation about healthy fast food. Even restaurants with singular



offerings, like Papa John's, are making inroads with alternatives like [gluten-free pizza crusts](#).

The evolution underway in restaurants isn't limited to menus: we're seeing seismic shifts in everything from how restaurants are sourcing ingredients, managing their supply chains, and ensuring traceability in increasingly complex and global food systems, to strategies that address the new composition, training, and retention of tomorrow's workforce. [Studies show](#) that consumers are seeking clean ingredients with ["free-from" attributes](#), with [females trending higher in analyzing ingredients](#) and demonstrating loyalty to restaurants with cleaner options. A Healthy Eating report by Technomic showed "when consumers want to order healthy items, 61% look for natural ingredients on menus, while 35% say they look for organic ingredients and 31% look for local ingredients." As consumers embrace ingredient quality and origin, restaurants need proactive strategies for procurement that benefit the environment, supply chains, and consumers.

01.

Supporting Biodiversity and the Food Supply

Progressive chefs, researchers and scientists have been focussed on [biodiversity](#) in our food system in recent years--analyzing how consumption patterns of plant and animal species affect global systems.

Today, twelve plant and five animal species make up roughly three-quarters of the food we consume. Concentrating our food sources on such a small group of species makes us more vulnerable to a variety of environmental and planetary events and places tremendous strain on food webs. Blight attacked and devastated potato crops in Ireland in 1854, killing over 1 million inhabitants of the country (one-eighth of the total population) during the [Irish Potato Famine](#) a dire lesson in how the monoculture approach to farming increases risk, stresses soil, depletes nutrients from end products.

[With 25% of all living species on earth residing in the soil](#), and a global population of 7.5 billion people and counting, producing and sourcing ingredients responsibly becomes crucial for not only business, but our literal survival.

Food leaders are building new movements to actively support biodiversity and sustainable agriculture. In the face of global population growth, catastrophic climate change-driven weather events, and political unrest, food and water security will be two of the biggest geopolitical issues we'll face this century.

[Food+Tech Connect](#) and [The Future Market](#) have teamed up to educate consumers about biodiversity in food systems and share actionable thought leadership with communities. The [Food Forever Initiative](#) and [Crop Trust](#) groups are working to support the [United Nations' Sustainable Development Goals](#), including Provision 2.5, which is dedicated to biodiversity in the food system.

Late in 2018, Erik Oberholtzer, CEO and Co-founder

of Tender Greens, [convened a meeting of restaurant industry leaders](#) to offer ways to promote biodiverse food sources, including items made with breadfruit, teff, and fonio. [MAD](#), an organization supporting chefs and restaurant employees in their quest to make sustainable changes on the job, recently launched the [VILD MAD program](#), which exposes to chefs to biodiversity in the wild. [Chefs Collaborative](#) and [Slow Food International](#) have long-addressed biodiversity concerns in programming and community dialogue, and the mass public is beginning to vote with a proverbial fork.

Prioritizing a more biodiverse food system is taking root in our collective consciousness. Oberholtzer's fast-casual chain, [Tender Greens](#), introduced fonio--a grain originating in West Africa. They plan to slowly add 25 rediscovered foods to their menus. A handful of New York city eateries have added fonio to their menus as well, thanks to the efforts of fonio exporter [Yolélé](#).



Catering to Food Tribes at Scale

02.

It takes collective action from grocers, restaurants, CPG companies, growers and importers to introduce new trends and support [food tribes](#). Demand from early adopters signals how large a movement will become. Vegan, vegetarian, paleo, keto, and gluten-free diets are driving massive menu innovation and creating entirely new product categories--delivering top-line growth for brands. Large communities are aligning around eating principles and lifestyle values and have opened markets around the globe. Demand has often grown so exponentially, that production volume has to scale quickly to fill the bountiful orders coming in on vegan burgers that "bleed," as in the case of Beyond Meat whose first to market Beyond Burger sold out rapidly throughout its first several months of production. At the time of this writing, [Beyond Meat announced it's going public](#) after

exploding into 35,000 outlets including Target, Whole Foods Market, Kroger, Carl's Junior and T.G.I. Friday's—a huge signal to the market about the future of food and a sign to savvy investors about where to move.

Fast-casual restaurants have consistently captured the zeitgeist around food tribes and wisely addressed their markets to drive innovation and R&D. In this climate, menu design and visual positioning becomes critical for brand teams to get right. Design plays a key role in introducing new consumers to these offerings and driving early trial and demand.

In the latest experiments, we're seeing Chipotle test [Paleo, Keto](#) and [Whole30® Salad Bowls](#), while [Noodles World Kitchen](#) reduces the Paradox of Choice for food tribe followers with new, clean menu designs, clear calorie counts, and useful categories like “gluten-free, meatless, 500 calories or less, watching sugar, and sodium conscious” to improve speed of service and item selection at the register. [Modern Market](#) serves up dairy-free options and a note when dishes include nuts on the menu. They also print nutritional information on every customer receipt. These moments of delight and transparency are part of a new wave unlocking powerful competitive advantages in restaurants according to a 2017 study by [Deloitte](#) that explores how engagement and empowerment are deepening loyalty and repeat trips to restaurants—influencing

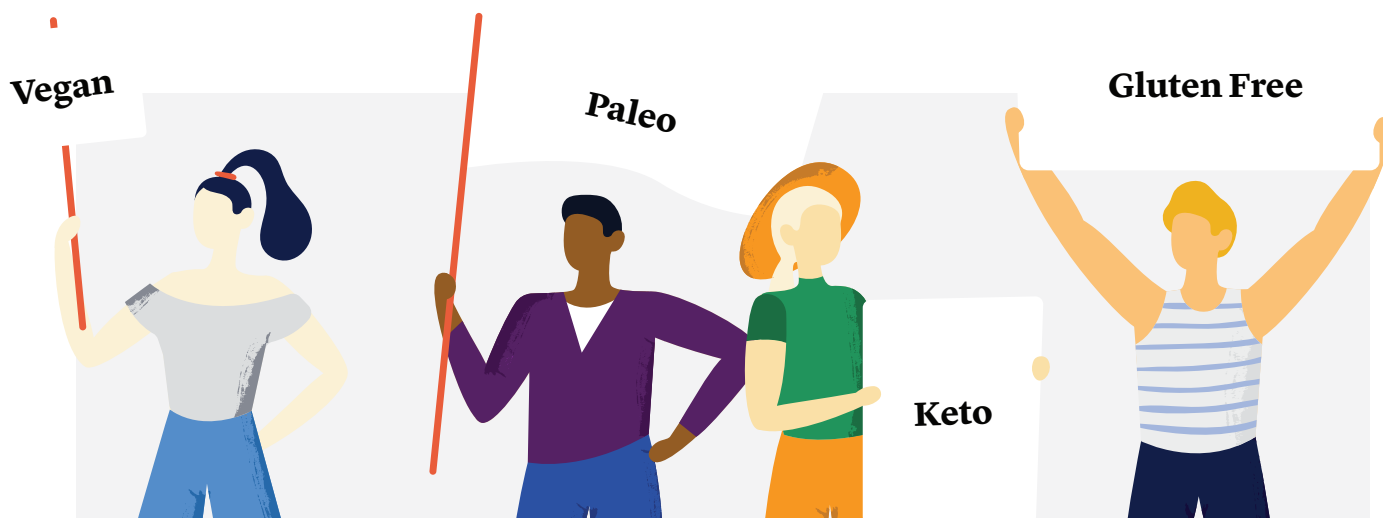
everything in the customer journey from ordering and payment, to delivery and customization.

Ingredient Transparency In The Modern Supply Chain

03.

Bolstered by the headwinds of ethical sourcing and innovation, restaurants are serving up [radical ingredient transparency](#) and providing end to end supply chain traceability.

As brands make commitments to consumers for ingredient quality, they're having to plan several years downstream to open up new commodities markets to accommodate recipe reformulation. In 2013 when Whole Foods Market initially announced its commitment to labeling Non-GMOs by 2018, commodities brokers and CPG procurement teams saw a multi-year surge in demand planning for non-GMO seeds and a run on existing organic grains. Changes of this order of magnitude require a long view: [McDonald's](#) and [Chick-fil-A's](#) transition to 100% cage-free eggs in all U.S. locations will take both companies 10 years to complete. [Taco Bell and Pizza Hut](#) announced a plan to remove artificial ingredients starting in 2015—a rollout slated to take several years until completion.



Restaurants are revamping training methods to protect operations despite turnover, and adapt to new learning styles of a technology-native workforce.

Brands are being rewarded for these changes with year over year growth, and advertising agencies are doubling down on deeply aspirational commercials to communicate these important commitments. The most well-received include works for [Panera Bread, which revamped its menus](#) to include whole grain in its signature breads, in tandem with the launch of [Food Interrupted](#), a weekly series showcasing leaders who are changing food systems. Starbucks [turned the lens back on its customers](#) to thank them for their partnership in supporting sustainability and ethical sourcing and celebrated “A Year of Good.”

Reimagining the seafood supply chain, fishmonger Fishpeople Seafood helps customers to “Trace Your Fish” using batch codes assigned to each product. The batch code includes the river in which the fish was caught, the name of the fisherman who caught it, and details on catch methods. In the future, technologies like blockchain may help restaurants deliver unprecedented levels of transparency to consumers with additional applications for foodborne illness traceability, product recalls, and resolution.

04.

Revolutionizing Training for a Changing, Mobile Workforce

The United States Bureau of Labor Statistics’ Job Openings and Labor Turnover Program cites turnover rates in the restaurant industry at 73%. Restaurant operators know there are additional hidden costs tied to this figure—brands lose \$5,864 per frontline employee in recruiting, selection, orientation, training and productivity on average.

Restaurants are revamping training methods to protect operations despite turnover, and adapting to new learning styles of a digitally-native workforce. Brands are phasing out paper and computer-based training methodologies and adopting mobile-first approaches. Studies from [The Society for Human Resource Management](#) indicate Gen Y & Gen Z employees expect to use the latest technology at work, want it to work like their personal apps, and seek ultimate flexibility. Employees show higher rates of adoption on apps that can be used for multiple business processes, are engaging and rewarding, and help them understand how their contributions and performance impacts the business.

Brands who develop thoughtful strategies to engage Gen Y and Gen Z workers and consumers, and understand how their lifelong interaction with technology has shaped their expectations on the job and in the fast-casual queue, are [impacting retention according to CNBC](#).

[Millennial workers between the ages of 18-34](#) will make up over three-quarters of the American workforce by the year 2020, and Gen Z, ages 7 - 24 currently, is the largest generation in global history. [Millennials learn differently than previous generations](#) because of their early introduction to technology, and Gen Z is “always on,” spending [10+ hours a day on mobile devices](#).

Training for these workforces is most effectively delivered through mobile platforms and transforms their ability to deliver consistent customer service and exceptional brand experiences. Both Naf Naf Grill and Modern Market made the switch from paper-based training programs to PlayerLync, and Gen Z is particularly responsive to video training,

Restaurants can also leverage Millennials' connection to technology to support employee retention initiatives. "Gamifying" work fosters the competitive spirit across restaurant locations, incentivizes and rewards food safety culture, and reduces turnover in the process.

with YouTube being one of their [top two digital channels of choice](#). Panera Bread has led the way with this approach to L&D innovation--offering employees access to Baguette University with video series that supplement in-person trainings.

[A 2016 Global Food Safety Training Survey](#) found that food safety incidents can be significantly reduced or mitigated altogether with more frequent, short bursts of "refresher" trainings on the floor and in the context of daily tasks. Delivering information on devices in the front of house also protects the customer experience and ensures team members are ready and available to greet them while learning.

Restaurants can also leverage Millennials' connection to technology to support employee retention initiatives. "Gamifying" work fosters the competitive spirit across restaurant locations, incentivizes and rewards food safety culture, and reduces turnover in the process. Applebee's implemented BeeBlock, a gamification program that incentivizes staff with competition and rewards for everything from selling new menu items to answering questions on company policies. [Employee turnover dropped by 20%](#) as a result, and other brands see increases in upsell activity, loyalty program adoption, and improvement in Yelp reviews--a key lever for increased transactions and repeat trips--using a similar approach.

05.

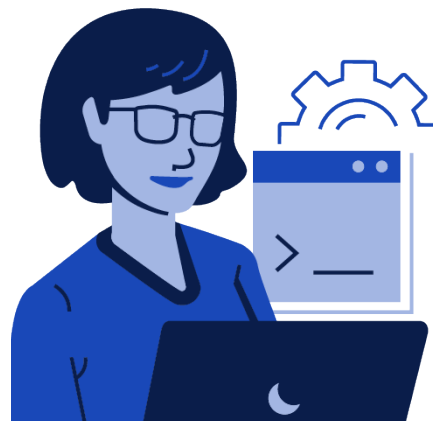
Supporting Women in Restaurants

For many generations, culinary craft has been defined by male perspectives; currently a mere [seven percent of head chefs are women](#). There are

seventy-two Michelin-starred restaurants in New York City, and just six are run by women.

This dominantly male culture can create risk--women are routinely harassed in the workplace, according to a [2014 survey by Restaurant Opportunities Centers United](#). Two-thirds of women surveyed reported sexual harassment from managers and over three-quarters experienced it from co-workers.

The public has become concerned by these trends, due to recent allegations against [celebrity chefs Mario Batali, Ken Friedman, and John Besh](#), and the rise of the #MeToo movement. As women make headway, the [percentage of female chefs is increasing](#) in many areas of the country. After an outcry over the lack of women on the Netflix cooking show, Chef's Table, Netflix added more female chefs



to the spotlight. There are collectives of women working to drive change in the restaurant industry, led by [Women in Hospitality United](#), [Women Chefs](#), and [SheChef](#).

Although there's limited data on the business impact of women in restaurant leadership roles, there are broader studies validating the significant impact women in leadership have across industries at large. Morgan Stanley's [An Investor's Guide to Gender Diversity](#) states that gender diversity "can translate to increased productivity, greater innovation, better products, better decision-making, and higher employee retention and satisfaction." [Research from Bersin by Deloitte](#) confirmed that highly inclusive organizations are:

- 2x as likely to meet or exceed financial targets
- 3x as likely to be high performing
- 6x more likely to be innovative and agile
- 8x more likely to achieve better business outcomes

Studies also report that employees trust women leaders more than men, find women to be more collaborative, and feel women make better mentors

overall. A [2016 study](#) of nearly 22,000 companies reports that those with women in the C-suite are more profitable. As more women enter the culinary arts and food services, and restaurants cater to Gen Z females who spend more income on experiences and dining than their male counterparts, the future looks bright for food thought leaders who create strategies to bring balance to the table.



Become a Tastemaker

The restaurant of tomorrow requires a visionary approach. Good food unites people, drives change, and connects markets around the world. Tomorrow's restaurants will play a key role in addressing complex issues facing the planet and shaping consumer tastes for good. Inspired options that support customer well-being, cater to food tribes, protect biodiversity, and prepare for a mobile-first workforce will win. Ensuring everyone has a seat at the table will pay dividends in the employee and consumer experience as Gen Z's influence is felt in the economy. Winning brands need strong strategies to prepare for these changes and to delight new generations of employees and customers.

200+ enterprise brands in 70 countries across 6 continents power their teams with GoSpotCheck and self-fund digital transformation with intuitive mobile apps designed for restaurants, retail, CPG, facilities, and beer-wine-spirits. Implementation is measured in weeks, not months or years. Teams use our software to increase sales, optimize labor, generate business insights, monitor facilities, and improve food safety standards across the field. **GoSpotCheck's** execution management app for restaurants helps category leaders validate execution, reduce costs to serve, improve sales, and ensure compliance and food safety. **Dairy Queen** leveraged the award-winning platform to reduce time spent collecting critical restaurant data by 80%, and the brand has been a strategic advisor to Top 5 fast-casual franchise restaurant groups--optimizing business processes and standardizing conditions across locations--since 2013. GoSpotCheck has bi-directional Sales Force integrations, deep linking, data encryption in transit and at rest, SCIM provisioning, and is GDPR compliant and SSO-enabled and is fully supported by a live team 7 days a week from Denver, CO via phone, text and email.

Learn How Tomorrow's Restaurant Works and [request a demo and free trial today.](#)



[GoSpotCheck.com](https://gospotcheck.com)



844-359-2502



sales@gospotcheck.com

