

Trending Now

Hispanic Impact on Foodservice



 **Ventura Foods**[®]

**MAY
2017**

Strategic Insights &
Category Management

On the Menu...

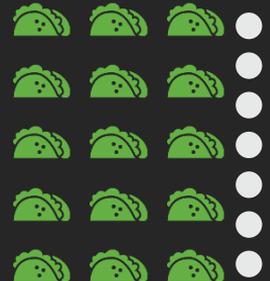
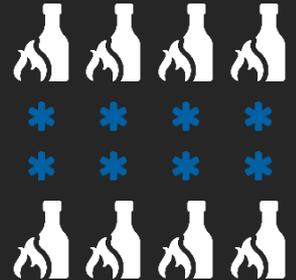
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Inclusive marketing messages

41%

of Hispanic consumers
say they're now more likely to
visit **restaurants**
that publicly
support Latinos
compared to two years ago

Due to increased divisiveness around race and ethnicity, more brands started promoting their acceptance of Latinos and people of all backgrounds over the past year, and more will do so going forward. Indeed, many Latinos, especially Spanish Dominants, say *it's important to them that restaurants publicly support Latinos and many are now more likely to visit restaurants that do so*. But in an increasingly multicultural yet divisive environment, brands need to carefully consider how they can ensure that Latinos feel welcome without alienating others. In order to truly resonate, strategies should be authentic to a concept's brand positioning.

Look
for

- Marketing campaigns or window signs promoting the acceptance of people of all backgrounds
- Bilingual and Spanish-language apps, websites and social media webpages to help draw in less acculturated Latinos

A DAY WITHOUT
IMMIGRANTS



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Regional Latin fare

78%

of Hispanic consumers prefer the Mexican cuisine they eat to be **authentic**



Latinos call for greater variety of non-Mexican Hispanic cuisines at restaurants. Thawing diplomatic relations between the U.S. and Cuba is *giving way to more Cuban cuisine, such as new iterations of Cuban sandwiches; Cuban ingredients such as mojo sauce on classic U.S. dishes like chicken wings*; and an uptick in Cuban coffee drinks like cafe con leche and cortaditos. In addition, more restaurants are calling out specific regions and cities in Mexico on the menu. Regional ethnic dishes help meet demand for new, unique and authentic offerings as familiarity with mainstream ethnic fare grows.

Look for

- Specific Mexican regions such as Baja, Yucatan, Jalisco, Oaxaca and Puebla called out on menus to help meet demand for new, unique Latin dishes
- Emergence of Cuban, Peruvian and Brazilian ingredients, preparation styles and dishes



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Healthful Hispanics



More Hispanics than the general population always eat healthy without a specific diet plan, highlighting the importance of health for Hispanics. In fact, healthy options are more likely to drive traffic among Latinos than among the general population. Also, ***Latinos are increasingly likely to purchase and pay extra for vegetarian, vegan and GMO-free offerings***, aligning with the trends toward clean foods and alternative diets. Further, many Latinos call for restaurants to offer more healthy menu options and be more transparent about what is in their food, and many Latino parents place importance on healthy kids options.

75%

of Hispanic consumers
eat healthy most
of the time

Look for



- More fresh, made-from-scratch, real and authentic descriptors on menus to resonate strongly with Hispanics
- Healthier kids programs, including more whole grains, proteins, plants and better-for-you beverages

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Fast-casual Latin concepts

5.2%

year-over-year sales growth of Top 500 **fast-casual Mexican concepts** (excluding Chipotle)



Someone out there is trying to become the next Chipotle, and it may be one of the many up-and-coming Latin fast-casual concepts. From Cuban coffee and bakery-cafes to Brazilian bowl concepts, ***look for several new Latin fast-casual restaurant chains to join the Top 500 ranks in future years.*** Although many of these concepts will feature cuisines from South and Central America, a few will also feature less-expected Mexican fare beyond tacos or burritos.

Look for



- Notable fast-casual Latin concepts to grow, including Five on Black (Brazilian bowls), Tocaya Organica (Mexican organic fare), Pincho Factory (Spanish kebabs), My Ceviche (Peruvian ceviche), Cuba Cuba Sandwicheria (Cuban sandwiches) and Crisp and Juicy (Peruvian chicken)

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Appealing to families



Hispanics are *more likely than the general population to say they consider restaurants a great place to get together with family and friends*. More than a third of Hispanics (34%) say large portion sizes are important traffic drivers, up from 2015; Latinos may see larger portions as providing better value and necessary in feeding larger households. Other important factors when choosing restaurants to visit are that the restaurant is a place for children to enjoy (67%), family combo meals are available (43%) and family-style meals are available (42%)—all factors operators should consider to appeal to Hispanic families.

67%

of consumers say
restaurants are a great
place to spend time
with family

Look for



- Tables and large-portion, shareable dishes that accommodate larger dining parties
- Increased promotional materials positioning restaurants as a place to spend time with family and friends to boost traffic from Latinos

Key Considerations...

1

The Hispanic population is continuing to grow and strengthen. The US Labor Statistics estimate that by the year 2042 individuals of Latin descent (Puerto Rican, Mexican, South American, Cuban) will be the majority of the ethnic make up. Look for this population's influence on everything from flavor, to format to communication style. Ensure you have bilingual communication and menus available.

2

Family is at the heart of the Hispanic community. Dining out as a group is much more popular among this population vs. rest of market. Consider programs and communication that help create a space for this behavior to take place. You will find a loyal consumer and likely one that returns often. Family style and sharable plates could be one way to approach this important demographic.

3

Signature and distinctive ingredient call outs will continue to grow as this population appreciates and places a value on an authentic experience. Look to homeland recipes to deliver this desire to your consumer base.