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Executive round table: Fast casual segment leaders make their 2015 predictions

Dec. 22, 2014 | by [Alicia Kelso](#)



We've presented the top trends in 2014 and the biggest predictions for 2015 from the [perspective of chefs](#), [market research firms](#), [journalists](#) and more. Now, we're asking those who are deep in the trenches – the ones who actually run the businesses that make up the vast restaurant industry – for their insights.

The top menu and non-menu stories from 2014 and the biggest expectations for 2015, according to fast casual executives include:

Culinary trends from 2014

When it comes to the top menu stories of the year, fast casual executives point to transparency, health, quality, variety and spice.

Jersey Mike's President Hoyt Jones said farm-to-table initiatives took off this year to fit the transparency demand.

"Consumers – and restaurateurs – want to know the origin of their food. Suppliers like Sysco now have strong traceability programs in place. High quality continues to pay dividends," he said.

Rubio's CEO Marc Simon agreed, claiming that consumers are more engaged and enlightened and are therefore looking for quality ingredients and wanting to better understand the provenance of their food.

"Consumers really want to know where their food is coming from and that it's local, with as little agricultural processing as possible," added Trufoods LLC CDO Gary Occhiogrosso. He said Trufoods' Pudgie's Naked Chicken Co. has recently been exploring this effort and has "seen great success with produce from local farmers."

Forever Brands CEO Mandy Calara said this trend is the result of more consumers becoming interested in supporting "any and everything local."

Quality was also a key focus for many brands this year.

"An emergence of new brands that want to toe the line on quality and people before profits – serving high quality good for you food with integrity (was this year's biggest trend)," said Pierre Panos, CEO of Fresh To Order.

"Fresh, quality ingredients ... Period," added Michael Haith, CEO of Teriyaki Madness.

Pita Pit's VP of Brand Marketing Kevin Sanders said in the company's 20 years, there is now more of a push for healthy than ever before.

Some brands saw more specific offerings emerge this year, including Capriotti's. Its CMO Jason Smylie said this year has been a boon for chicken and turkey products.

Tokyo Joe's President Larry Leith believes more consumers are craving Asian flavors.

"Wasabi, for example, is now everywhere. Asian flavors have continued to become more mainstream," he said.

Wasabi is joined by the rise in Sriracha, which was the big story this year for Lawrence Eade, CEO of Wok Box Asian Kitchen.

These ingredients complement Uncle Maddio's CEO Matt Andrew's top trend from the year – spicy, bold, ethnic flavors.

Slim Chickens COO Sam Rothschild believes more dishes typically reserved for full-service concepts are now making their way into limited-service. His brand, for example, launched chicken and waffles this year.

Meanwhile, Wing Zone CEO Matt Friedman is experiencing an increased demand for variety. At his company, for example, more customers are fusing their burgers and chicken sandwiches, which has inspired new combo launches.

Of course, this type of customization is on trend and will continue to be as build-your-own concepts spring up left and right.

"Build-your-own options are still the hottest segment in the QSR and fast casual sectors, as we've seen with heavyweights like McDonald's testing BYO burgers in California and Taco Bell's new app that allows you to customize every product," said MOOYAH Burgers, Fries & Shakes COO Michael Mabry.

Which Wich's Director of Communications, Hala Habal, believes this confluence of trends led to the increased vibrancy of the overall dining experience.

"From bolder and more interesting options on the menu to a more welcoming and inviting atmosphere, it was more important to 'pop' in 2014 and will continue to be in order to capture market share in an increasingly crowded market," Habal said.

2015 menu predictions

So, what's next? According to fast casual insiders, expect an acceleration of this year's trends, driven by healthier offerings and conscious consumption.

"With the call for calorie counts to be posted in the New Year, we expect a continued move toward healthy offerings," Jones said. He adds that Jersey Mike's is, for example, testing a new gluten-free option in several markets and may roll it out nationwide. "We also expect to continue seeing more people choosing chicken over beef," he said.

Mabry also believes this slant toward healthier dining will prevail, as consumers demand to at least feel that they're eating better.

Eade added that the focal point of this effort will be consumers watching their sugar intake.

"(Sugar) has been the dietary grey area for so many decades. Look on your food labels – there are no daily recommended sugar content percentages on any of them. Any of them! The industry knows sugar in high quantities isn't good and they hide it from people. This will be a big consideration in the future for consumers," Eade said.

Andrew predicts more "all-natural" labels to pop up.

Customization is also predicted to grow. Offering a larger variety of healthier combinations to make the meal bigger, but not heavier, will be big, according to Sanders.

The demand for quality will also continue to benefit the fast casual segment, according to both Haith and Smylie.

"As customers become more conscious of what they are consuming, I think they will (and already have begun to) demand higher quality food options," Smylie said.

Leith believes that conscious consumption trend will push more transparency from brands.

"People want to know what they are putting in their body. More brands will get on board and provide protein options, more gluten-free, more veggies, etc.," he said.

Friedman predicts palates to crave even more heat. In anticipation, Wing Zone recently launched Sriracha Cha-Cha.

"People are still going to love spicy. Spicy doesn't necessarily mean hot, but full of explosive flavor," Rothschild added.

Habal also predicts "flavor bursts" in the coming year, as customers demand a "flavor experience that shakes them up in a unique way."

Calara expects Mediterranean cuisine to grow as more consumers demand spices and healthy offerings.

And, Panos has a broader prediction – the bigger brands will be playing catch up to the smaller brands' "quality and integrity," he said.

Non-menu predictions for 2015

Veering off the menu, fast casual insiders believe mobile apps and social media will dominate the restaurant landscape in 2015. Catering, staffing and customer experience will also emerge as big themes in the New Year.

Mobile and technology

Jersey Mike's is currently evaluating Apple Pay as a potential addition. Smylie and Friedman both predict mobile payments and ordering to become more commonplace.

"Everything is going mobile. Mobile searching has outpaced internet searching, and tablet usage has outpaced television watching. If you want to stay with the times, you have to have mobile ordering and delivery. If you don't, you're going to cut yourself out of consideration half the time," Calara added.

These evolving features will also be increasingly integrated to make it easier for both the operators and the customers to interact with each other. Andrew predicts a rise in integrated digital marketing platforms, including loyalty, ordering and digital couponing. He also said there

will be an increase in demographic-targeted digital marketing, as well as geo-targeted digital marketing.

In addition to mobile technologies, Mabry said digital menu boards will also continue to increase in the limited-service space.

Panos adds that these technologies are no longer a "trend," but rather a new expectation.

"Anything to do with technology will continue to evolve not only in the actual technology itself, but the adoption and acceptance rates of consumers," he said.

Social media

Haith believes social media will "dominate the scene" in the New Year, as it holds individual operators much more accountable.

"The brand will provide the customers and the operator will provide the experience," he said.

Eade believes social media engagement will proliferate the local market levels more than it ever has.

"We've all seen the online marketing trends over the years go from 'brands have a website,' to 'brands have a Facebook/Twitter/Instagram page,' and now it's going to 'local stores have a locally influenced social media outlet,'" he said. "Customers are flooded with information and our ability to filter it is becoming stronger and stronger. Highlighting local issues, events, or topics to customers will have larger impact and therefore be better for brands looking to build customer base."

As brands become more local with their marketing efforts, Habal believes there will be a greater commitment from brands to make positive impacts in the communities they serve.

"It's not going to be enough to just sling sandwiches, there will be a need to make communities better through programs and outreach efforts that enhance the neighborhoods where we exist," Habal said.

Customer experience

Speaking of experience, as technology innovations speed up, many brands are doubling down on their customer service efforts to not lose the service aspect that has long defined the industry.

Jersey Mike's, for example, is currently training team members in each of its 850 restaurants, as part of its Speed of Experience Tour, to focus on "heightening the customer experience by teaching our team members how to foster quality interaction with our guests. Customers expect more than a robotic greeting. We believe it's not just the transaction, it's the interaction that creates passionate fans," Jones said.

Along the lines of better service, Rothschild expects real-time menu customization to emerge.

"More brands are going to test menu board options to customize and cater to their customers on a daily basis," he said.

And, Occhiogrosso adds that restaurants will develop more "on-trend experiences;" for example trendy, casual dining components in a fast casual setting.

Catering and staffing

Finally, Leith predicts catering options to increase, especially from niche categories.

"Corporate groups are growing tired of bringing in sandwich platters. With the rise of customizable and portable options, catering from different types of restaurants will continue to become more convenient," he said.

Simon adds that the increasing competition in the restaurant industry is causing operators to step up their staffing efforts and look for more skilled and experienced back-of-the-house personnel – "especially seasoned cooks."