

## Fast Casual Restaurants - US - October 2012

### Scope and Themes



*“The competitive foodservice landscape emphasizes a few key issues that face fast casual operators. To begin with, the number of fast casual concepts entering the market has forced operators to seek greater differentiation. As such, there’s a range of service styles within the fast casual realm, which is causing confusion among some consumers. The segment’s notoriety as an appropriate lunchtime destination is positive, yet it’s also limiting. Looking to non-traditional avenues (like beverages and snacks) can drive incremental sales throughout the day and will resonate with core fast casual users. “*

– Bethany Wall, Foodservice Analyst

- **What is the fast casual service style?**
- **How can fast casual be more than just a lunchtime destination?**
- **How can technology be better utilized to boost sales?**

The recession may have caused consumers to rein in their spending, especially on dining out as it is considered a discretionary expenditure, but the fast casual market remained somewhat insulated—producing modest, steady growth. In 2011, the fast casual market marked a return to more rapid growth, increasing 6%. In 2012, Mintel estimates the market will improve 8%. This return to growth is enabled by a modest increase in consumer confidence that encourages freer spending, reinstated expansion plans by existing fast casual brands, and expansion of new concepts within the market. To that end, Mintel’s proprietary research finds that overall usage of fast casual restaurants improved markedly, up from 55% in 2011 to 73% in 2012.

This report closely examines consumer usage of, and

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This report is part of a series of reports, produced to provide you with a more holistic view of this market.

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### Scope and Themes

attitudes and behaviors toward, fast casual restaurants, as well as the impact on food menu trends, the competitive landscape, and marketing strategies.

This report builds on the analysis presented in Mintel's *Fast Casual Restaurants—U.S., October 2011* as well as the August 2010, September 2009, August 2008, and August 2007 reports of the same title.

This report examines fast casual commercial dining in the U.S. Restaurants in this market claim to combine the quality of casual dining with the convenience of fast food. Because the average price is \$6-9 per ticket, pricing also falls between casual dining and fast food. Most fast casual chains share certain attributes, including:

absence of table service (though many restaurants will take orders at a counter and deliver it to a self-seated table)

- coherent menu themes
- focus on freshness, with products made to order without the use of frozen ingredients, microwaves, canned foods, or preservatives
- focus on innovative flavors, including condiments that fuse elements from different cuisines
- focus on consumer choice, sometimes provided through extensive selection of condiments
- décor that exceeds expectations of traditional plastic chairs and tables (bolted to the floor) at fast food restaurants
- focus on health, including all-natural, organic ingredients, cruelty-free animal products, or vegetarian-fed, antibiotic-free meat products, and/or MSG-free products.

**Value figures throughout this report are at retail selling prices excluding sales tax unless otherwise stated.**

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*How can fast casual be more than just a lunchtime destination?*

*How can technology be better utilized to boost sales?*

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