



Breakfast Brief

breakfast beverages

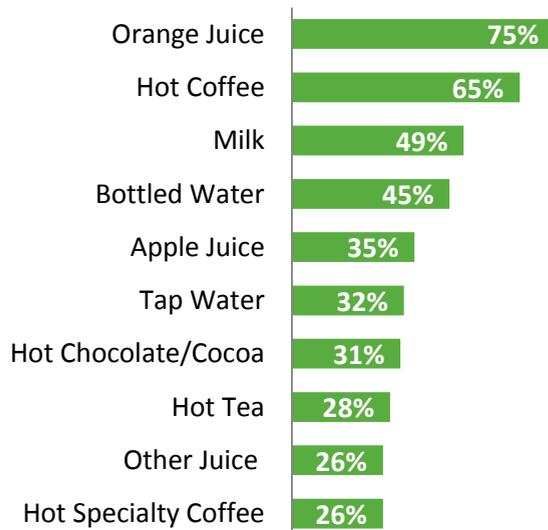
Beverage options on morning menus used to be slim, but today's breakfast drink selections abound. Operators are innovating all types of beverages through flavor experimentation and exciting new preparations. And although coffees, hot chocolates, milks, teas, juices and smoothies have all undergone significant transformations over the past few years, opportunity still exists to expand these types of breakfast beverages on menus and use them to drive sales in the morning.

Breakfast Beverage Purchases

Breakfast consumers typically opt for classic beverages during their morning meal. Orange juice, apple juice, hot coffee, bottled water and milk were the leading breakfast drinks that consumers indicated they have at least occasionally. Signature, made-to-order drinks, such as smoothies and specialty coffees, are less likely to be consumed by most respondents. Often, these beverages are better positioned as filling snacks or meal replacements, rather than breakfast accompaniments.

In regards to destination for beverage purchases, frequent beverage consumption during breakfast is most likely to be driven by on-the-go visits. Data shows that the

Which of the following beverages do you have for breakfast occasionally (at least once every 90 days)? Select all that apply. (Top 10 answers shown)



Base: 1,000 consumers aged 18+ who eat breakfast away from home on weekdays or weekends



more routine, recurring visits (once a month or more, once a week or more) for beverages tend to take place at limited-service restaurants and drive-thrus specifically for takeaway. However, on-the-go beverage purchases at retailers and vending machines are much less frequent; it is likely that breakfast consumers trust the quality of restaurant preparations for beverages compared to offerings from nontraditional sources.

Beverage Attributes

Consumers were asked to rate the importance of wide-ranging beverage attributes, including taste/flavor, customization, portability and quality of packaging, among others. Specifically, consumers were asked how important or unimportant these characteristics were to their decision on where to purchase a breakfast drink.

After price point, flavor/taste (83%), beverage quality (82%) and portability (72%) were the top three most important factors as ranked by consumers. Other factors, such as availability of limited-time offerings (48%) and signature drinks (47%) also made the list but were less central to breakfast consumers' purchase decision.

How important or unimportant are the following when deciding what restaurant or other foodservice location from which to purchase a beverage for breakfast? (Top two box = somewhat and very important)



Base: 1,000 consumers aged 18+ who eat breakfast away from home on weekdays or weekends
 Consumers indicated their opinion on a scale of 1–5 where 5 = very important and 1 = not important at all



Coffee Beverages

COFFEE BLENDS, SOURCING AND PREPARATIONS

Coffee beans are speculated to have originated in Ethiopia but are now found throughout the world, including top coffee-producing countries like Brazil, Colombia, Indonesia and Vietnam. Coffee can highlight one particular type of bean or a blend of different bean types, the latter of which produces a richer, more complex flavor. The taste of single-bean and blend coffees is dependent on the length of time coffee beans are roasted. Some of the most popular roasts are:

- **American Roast**—medium-roasted beans with a milder brew that is not too light or heavy in flavor
- **French Roast**—heavy-roasted, deep-chocolate brown beans that produce a stronger coffee
- **Italian Roast**—heavy-roasted, glossy brown-black beans that produce a strongly flavored coffee commonly used for espresso
- **European Roast**—contains two-thirds heavy-roast beans blended with one-third regular roast beans
- **Viennese Roast**—contains two-thirds regular-roast beans blended with one-third heavy-roast beans

Because beans are purchased from farmers across the globe, more attention has been given to transparent sourcing of coffee beans on menus. More and more, consumers want to know where their coffee comes from and that it's ethically sourced from organizations that treat the land and workers properly and trade fairly. Instances of "fair trade" mentions on nonalcohol beverage menus grew 27.5% in a year-over-year comparison, showing that restaurants are emphasizing more responsibly sourced coffees on menus to attract socially conscious and eco-friendly patrons.

This attention to sustainable and humane practices for coffee purchases has even trickled down to convenience stores and quick-service coffee cafés. For instance, c-store Kangaroo Express launched a new sustainably sourced Costa Rican coffee blend, made from 100% arabica beans from local farmers committed to sustainable sourcing. And Stumptown Coffee Roasters—which operates in New York, Los Angeles, Seattle and Portland, OR—has built its reputation on offering premium coffee by committing to transparent sourcing. The chain sources its coffee everywhere from Mexico to Kenya, and buyers visit each farm two to three times a year to plan the harvest and monitor progress. In addition, Stumptown's website lists all of its suppliers along with bios on each that give background on the farm or co-op and the cultivation process.



In terms of coffee preparations, there are numerous options for operators to explore. The traditional method for making coffee is drip brew, which can be served hot or poured over ice. Many consumers opt to sweeten hot and iced drip-brew coffee with flavored syrup or sugars to cut the acidity.

While traditional drip brew coffee in both hot and iced format continues to be the most commonly consumed coffee preparation, other lesser-known methods are trending with consumers at restaurants and other foodservice locations. Let's take a look at some of the coffee preparations that are gaining momentum on menus.

☛ **Cold-Brew Coffee**—Unlike filter coffee, which is brewed hot and served hot, cold-brew coffee (also known as cold-press coffee) is brewed cold and served cold or at room temperature. The cold-brew method steeps coffee grounds in room temperature or cold water for an extended period of time, which can range from 12 to 24 hours, depending on the amount of coffee grounds being steeped. The coffee grounds are then filtered to obtain the coffee concentrate. Cold-brew coffee is less acidic and has a sweeter taste compared to drip brew, and has a long shelf life when refrigerated (up to two weeks). Because demand for this coffee is high, many leading top 500 chains are also launching this artisan preparation method, which is often sold in refillable growlers.



Crafted Press Cold Coffee steeped for at least 12 hours at Caribou Coffee



Pour-over coffee at Jubala Coffee in Raleigh, NC

☛ **Pour-Over Coffee**—Pour-over brewing is essentially drip brewing by hand but affords the barista a greater measure of control over the coffee-making process. The technique is said to produce a clean coffee with delicate flavors and nuances not created by the standard drip method. Pour-over coffee taps into several current trends, including slow foods, artisanship, handcrafting and made to order/made for you. It's a favored technique at trendy independent coffee shops and among third-wave coffee concepts.



- ☛ **French Press Coffee**—A French press, also called press pot, is a cylinder-shaped pot with a plunger and filter screen that presses hot water through ground coffee. Compared to drip brew, French press is a more gradual brewing method with an artisanal appeal.
- ☛ **Turkish Coffee**—To make Turkish coffee, finely ground beans are placed with water in a long-handled pot, called a cezve or ibrik, which is traditionally made with copper or brass. The water and beans are brought to a boil three times, and then the coffee is allowed to sit to let the grounds settle. The result is a flavorful, strong coffee.
- ☛ **Neapolitan Flip Drip Coffee**—The Neapolitan pot is a device consisting of two tanks—one on the top and another on the bottom. The filter for the coffee is placed in the center of the pot before one of the tanks is filled up with water and brought to a boil; once the water is hot, the pot is turned upside-down so that the water drips through the coffee.

Manual coffee preparations are becoming increasingly popular because they allow for control over the quality and batch size. These manual preparations are often viewed as more sophisticated than traditional hot drip brews; therefore, restaurants that offer these coffee options will have an easier time attracting coffee enthusiasts.

COFFEE FLAVORS

Coffee is a top beverage platform for many different flavor profiles. The availability of various creamers and syrups is important for consumers who prefer to customize coffee beverages to their liking.

Our research shows that women are slightly more likely to say that they'd consider trying various flavors for coffee. This is true across most flavor profiles, such as cinnamon-brown sugar and chocolate.

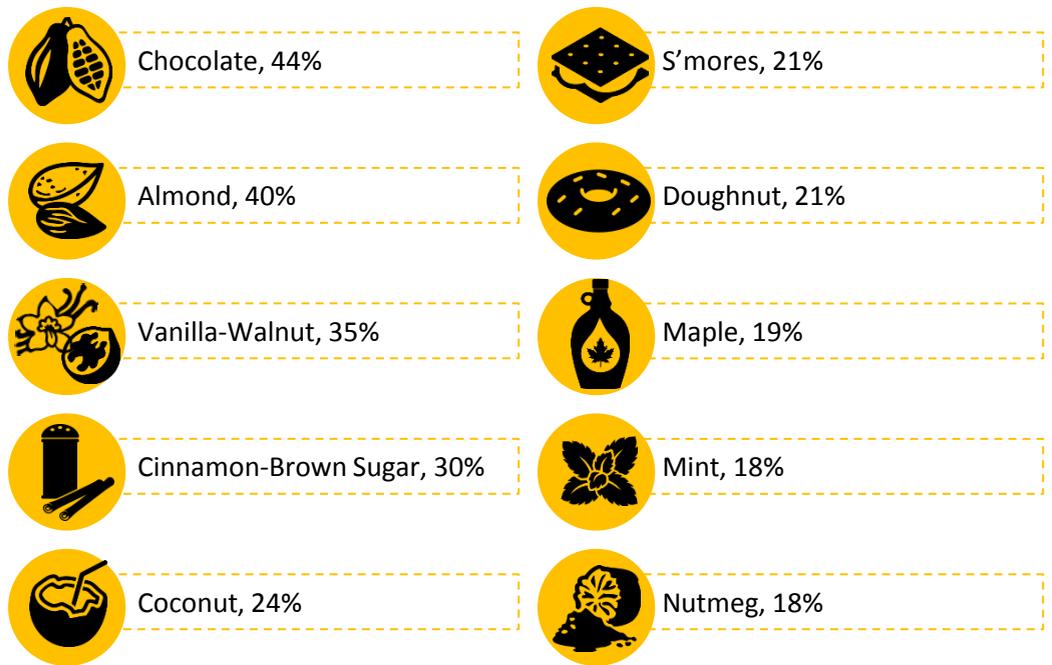
Additionally, the data shows that Millennials are most likely in comparison to all other generational groups to include myriad coffee flavors—particularly specialty coffee flavors—within their consideration set. For example, 23% of Millennials said that they'd consider giving “birthday cake”-flavored coffee a try—a percentage nearly twice that of any other generational cluster.



Which of the following flavors would you consider trying for coffee beverages?

Select all that apply.
(Top 10 answers shown)

Base: 1,000 consumers aged 18+ who eat breakfast away from home on weekdays or weekends



As shown in the data, consumers are most interested in trying sweeter flavors in coffees, such as chocolate and vanilla-walnut. This ties in to the growing trend of dessert-flavored coffees happening now at leading chain and independent coffeehouses. These rich flavors balance the bitter taste of coffee and appeal to a broader spectrum of consumers, including women, Millennials and infrequent coffee drinkers who find dessert flavors appealing.

Convenience stores are particularly showcasing innovative dessert coffee flavors as a way to drive morning sales. For instance, Speedway offers Cinnamon Roll and Snickerdoodle coffee blends, and Stripes sells coffee drinks with Cookies and Cream and Strawberries and Cream flavors.

Top Coffee Flavors on Menu

Source: Q1 2015 MenuMonitor, Technomic



But as evidenced by the MenuMonitor list on top flavors featured in coffee, there are other flavors beyond dessert inspirations that are hot right now. While vanilla, caramel and chocolate lead the list, the remainder is comprised of non-sweet flavors, such as cinnamon and spiced. A few seasonal flavors also made this list—pumpkin and mint are typically offered during fall and winter, but to capitalize on the widespread popularity of these flavors, many coffee shops are rolling out these options earlier in the year and keeping them on menus past the holidays.



FEATURED RECIPE

[Serving Size: 1]

Ingredients

- 6 cups Folgers® coffee, commercial, brewed according to directions
- 3/4 cup Eagle Brand® Sweetened Condensed Milk
- 3/4 cup Smucker's® Chocolate Flavored Sundae Syrup
- As needed, whipped cream
- As needed, chocolate shavings

Mocha Madness (coffee)



Directions

- 1 In pitcher, combine ingredients; stir until combined.
- 2 To assemble single serving: pour 1-1/4 cups prepared coffee into 12 oz. mug. Garnish prepared coffee with whipped cream and chocolate shavings.
- 3 Serve immediately, piping hot.
- 4 Keep remaining servings hot; stir before serving.
- 5 Notes: Smucker's® Chocolate PlateScapers® can be used to decorate inside of cup or as additional chocolate topping.

Nutrition Facts

Serving Size: 1 1/4 cups

Amounts Per Serving

	Per Serving	% Daily Value*
Total Fat	3g	%
Saturated Fat	2g	%
Trans Fat	0g	
Cholesterol	10mg	%
Sodium	70mg	%
Potassium	0mg	%
Total Carbohydrate	47g	%
Dietary Fiber	3g	%
Sugars	43g	
Protein	4g	

	Per Serving	Per Serving
Vitamin A	2%	Vitamin C 0%
Calcium	0%	Iron 0%

*Percent Daily Values are based on a 2,000 calorie diet. Your daily values may be higher or lower depending on your calorie needs.

	Calories:	2,000	2,500
Total Fat	Less than	65g	80g
Sat. Fat	Less than	20g	25g
Cholesterol	Less than	300mg	300mg
Sodium	Less than	2,400mg	2,400mg
Total Carbohydrate		300mg	375mg
Dietary Fiber		25g	30g

Calories per gram:
Fat 9 Carbohydrate 4 Protein 4



Hot Chocolate

Here's a closer look at what's trending in hot chocolate:

- > **Decadent Dessert Flavors**—ranging from caramel and salted caramel to white chocolate to even Lava Cake
- > **Seasonal Flavors**—including mint and peppermint
- > **Mexican Hot Chocolate**—made with Mexican chocolate, which is a sweet chocolate flavored with cinnamon, almonds and vanilla, with a grainier texture than other chocolates

Topping hot chocolates with flavor-infused whipped creams or marshmallows will provide a more complex taste. Whipped cream flavors to consider include coconut, chocolate, raspberry, strawberry and caramel.



Milks

ANIMAL MILKS

Milk from cows remains the leading type of milk consumed in the U.S., although consumers are increasingly gravitating toward alternative milks for their health benefits.

A more nontraditional milk option with a growing following is goat's milk. This milk is rich in nutrients, such as calcium and potassium, and has less lactose than milk from a cow. Celebrity chef Stephanie Izard has helped make goat more in vogue at her Little Goat Diner restaurant in Chicago, which serves chocolate goat's milk as a breakfast beverage.

Another up-and-coming dairy option is camel's milk, which is lower in lactose than cow's milk. Camel milk is popular in the United Arab Emirates and is starting to make an appearance in more U.K. coffee shops; expect for this milk to eventually jump across the pond onto U.S. independent coffee shop menus over the next few years.

PLANT MILKS

Breakfast beverage consumers previously had only a handful of options when it came to dairy. But in lieu of the foodservice industry's growing attention to dietary restrictions, new dairy alternatives have emerged at restaurants and retailers.



► **Nut Milks**

Nut milks offer a lactose-free beverage option for consumers with dairy intolerances and allergies, or for those who just prefer the taste compared to cow's milk. These milks can be made from a variety of nuts—including almonds, cashews, walnuts and hazelnuts—by soaking the nuts in water for an appropriate period of time (differing by nut type and quantity), draining and rinsing the nuts, blending the nuts with water and adding flavorings, then filtering the milk to separate the pulp. Nut milks are also often perceived as healthier than cow's milk because consumers associate plant-based foods as being packed with nutrients.

Almond milk is perhaps the most known of all the nut milks. According to Technomic's MenuMonitor, menu incidence of almond milk more than doubled from Q1 2013 to Q1 2015. Almond milk, like other nut milks, can also be customized by adding flavors.

Also considered a nut milk, coconut milk is derived from grated white coconut flesh. While coconut milk can serve as a cow's milk substitute in any breakfast beverage, it is most commonly featured in smoothies. Coconut milk is also frequently mixed with almond milk to create a more complex flavor. Zugo Liquitarian food truck in Los Angeles offers a Miugi smoothie made with avocado, matcha, hemp seed, coconut oil, coconut milk and raw honey.

► **Soy, Seed and Grain Milks**

Another popular alternative to cow's milk is soy milk, which is made by pressing ground, cooked soybeans. Soy milk has less fat content than almond milk, has more protein compared to cow's milk and is dairy-free. With more attention on health and allergens, coffeehouses across the U.S. have introduced soy milk as an alternative to cow's milk for coffee beverages. Even convenience-store chain Wawa added a soy milk option for its coffees, lattes and hot chocolate in early 2015.

There are also numerous varieties of seed and grain milks. Seed milks can be made from hemp, flax, chia and sesame seeds, while grain milks include barley, oat, rice and spelt milks.



Tea

Often thought of as a mild alternative to a morning cup of Joe, tea is gaining in status during breakfast hours, bolstered by new ranges of flavor infusions, cultivated varieties and brewing techniques.

GREEN TEA

Long favored in Asian cultures, green tea grew in the U.S. in recent years due to the many health benefits associated with the beverage. Green tea is produced from leaves that are steamed and dried, but unlike black tea, not fermented. The tea tends to be slightly bitter with hints of grass and easily identified by its green color.

Beyond the health benefits, morning green tea drinkers are enjoying new takes on the beverage. Fruit-infused green tea is popping up on breakfast menus around the country, adding a bit of sweetness to the low- or zero-calorie drink. Trending flavors are peach, lemon, mango and passion fruit; ginger and mint are also popular additions for those who prefer a more spicy or herbal option.



Iced Matcha at Scooter's Coffee



Vanilla Matcha Green Tea Latte at Peet's Coffee & Tea

TEA LATTES

Another trend on the rise at breakfast is tea lattes. Similar to a standard espresso latte, tea lattes combine a shot of concentrated tea (often made by doubling the amount of tea leaves in a brew) with steamed milk. The addition of honey or flavored syrup, like vanilla or almond, can be added for sweetness.

The tea latte launched into stardom in the form of chai lattes, but any tea can be used in this drink. Peet's Coffee & Tea menus a Vanilla Matcha Green Tea Latte, while The Coffee Bean & Tea Leaf allows guests to create their own tea latte with choice of tea or herbal infusion as well as vanilla or chocolate powder.



Juices

Juice is a staple on breakfast beverage menus at chain and independent restaurants. One of the top buzzwords associated with juices is fresh. Because most juice in retail establishments comes from a container and oftentimes has added sugars, the word “fresh” implies the juice has been produced that day from a batch in-house.

COLD-PRESSED

Cold-pressed juices are trending at foodservice establishments, from top 500 chain restaurants to independents to convenience stores. The way the product is made is by applying high pressure to freshly squeezed juice, then placing it in a container and sealing it. Because of the vitamins, minerals and enzymes retained through this process, cold-pressed juices are associated with being highly nutritional and are often used for trending detox cleanses.

TRENDING JUICE FLAVORS

Apple and orange juices, which have long been favorites with consumers during breakfast, dominate the top five list of flavors. Vegetables such as carrot and celery also made the list. Light and refreshing ingredients dominate the fastest-growing flavors, namely mint, green apple and cucumber. With the upsurge of juice concepts, detox cleanses and healthy juices on menus, it's not surprising that we're seeing an increase in green juice ingredients.

Top Breakfast Juice Flavors (Percentage of flavor incidence in breakfast juices)



Apple (9.7%)



Orange (8.2%)



Carrot (5.6%)



Cranberry (3.8%)



Celery (3.5%)

Source: Q1 2015 MenuMonitor, Technomic

Fastest-Growing Breakfast Juice Flavors (YOY incidence growth)



Mint (100.0%)



Green Apple (61.5%)



Cucumber (38.1%)



Blueberry (33.3%)



Ginger (27.0%)

Source: Q1 2014–Q1 2015 MenuMonitor, Technomic



Smoothies

Like juice, the smoothie is another popular breakfast beverage at both limited-service and full-service chains and independents. When looking at the top breakfast smoothie flavors, it's not surprising that most are fruits. Banana leads the list with operators featuring it as a flavor in 39.7% of smoothies on menus. Various berries are also popular in the top 10, including strawberry, blueberry and berry. Tropical flavors mango and pineapple are featured in the top four.

Other than vanilla, honey is the only non-fruit listed in the chart on leading breakfast smoothie flavors. Bee buzzwords (e.g., honey, honeycomb and bee pollen) are immensely popular in the breakfast daypart as of late. While bee pollen is trending in smoothies at independent restaurants, honey is trending in smoothies at both chains and independents.

Unlike the top breakfast smoothie flavors, the fastest-growing flavors feature a diverse range of options—from pungent, sweet or herbal to sour, bitter or nutty.

SMOOTHIE INNOVATION

To transform and modernize their breakfast smoothies, operators can...



...**Combine fruits and veggies** to provide different flavor profiles and various kinds of nutritional values



...**Add trendy superfoods** to appeal to health-conscious diners and younger consumers



...**Promote brand partnerships** by teaming with companies that have strong name recognition to create new products



...**Add a kick of spice**, such as cayenne, chili powder or jalapeños

Top Breakfast Smoothie Flavors

(Percentage of flavor incidence in breakfast smoothies)

- 1 Banana (39.7%)
- 2 Strawberry (31.8%)
- 3 Mango (16.1%)
- 4 Pineapple (13.2%)
- 5 Blueberry (11.1%)
- 6 Orange (8.4%)
- 7 Vanilla (7.8%)
- 8 Peach (7.3%)
- 9 Berry (6.8%)
- 10 Honey (6.3%)

Source: Q1 2015 MenuMonitor, Technomic

Fastest-Growing Breakfast Smoothie Flavors

(YOY incidence growth)

- 1 Carrot (61.5%)
- 2 Ginger (44.4%)
- 3 Date (40.0%)
- 4 Mint (38.5%)
- 5 Cinnamon (36.4%)
- 6 Avocado (33.3%)
- 7 Coffee (30.8%)
- 8 Pomegranate (29.4%)
- 9 Almond (26.1%)
- 10 Lemon (15.4%)

Source: Q1 2014–Q1 2015 MenuMonitor, Technomic

There is significant room for experimenting with a range of flavors and ingredients in smoothies. Operators should expand from the traditional fruity flavors to more ethnic, indulgent, spicy and bitter flavors to surprise and attract diners.



Breakfast Beverage Fads

Many popular breakfast beverage fads speak to larger trends impacting foodservice. Here are some popular beverage fads and corresponding trends currently on menus:

BONE BROTH

Bone broth is the broth made from the extraction of nutrients from the bones of an animal, accomplished through long cooking and by adding acid to the pot.

What larger trend does it speak to?

PROTEIN

Bone broths are rich in protein and minerals. As commodity costs for beef and pork remain high, operators need to find ways to push the parameters of proteins—bone broths do just that.



LASSI

A lassi is a popular chilled yogurt drink in India, which can also be made with buttermilk or extra-rich milk.

What larger trend does it speak to?

ETHNIC

Global options have increased as diners become more adventurous. Lassi is a popular ethnic beverage because it can feature an array of ingredients (from sugar and fruits to spices and herbs) to make it more approachable to the U.S. public.



BULLETPROOF COFFEE

Bulletproof coffee calls for low-mold coffee beans, at least 2 tablespoons of unsalted butter and 1 to 2 tablespoons of medium-chain triglyceride oil.

What larger trend does it speak to?

FATS & OILS

Fats and oils like tallow, duck fat, lard and now buttery beverages are assuming a larger role on menus as part of a backlash against health fads. But in addition to being known for its indulgence factor, Bulletproof coffee is also said to improve satiety and energy.





Technomic Takeaway:

5 Areas of Opportunity for Breakfast Beverages

#1

BETTER FOR YOU

Adding nutritional boosts and superfoods to breakfast beverages is an easy way to increase the appeal of these drinks to health-conscious diners. Items such as kale, chia seeds, whey and wheatgrass contribute to a health-halo effect for some more indulgent smoothies and juices. Whether a beverage has an energy-boosting powder or is all-natural and organic, maximize each nutritional benefit to its fullest potential on menus.



#2

DESSERT & INDULGENCE

The growing popularity of dessert flavors in coffees and specialty hot chocolates is opening the door for other sweet beverages on morning menus. Frozen hot chocolate gained notoriety at Serendipity in New York City, but has yet to be seen at many other establishments, perhaps because it is thought of by some as more of a dessert than a beverage.



#3

ETHNIC INSPIRATIONS

Ethnic flavors and ingredients are not commonly associated with breakfast beverages. But ethnic options are heavily sought out by today's consumers, with Millennials and Gen Zers leading this trend. The overall growth of ethnic foods promises for global influences to be popular additions to morning drinks. Ethnic inspirations for consideration include the following: horchata- or flan-flavored coffees, Vietnamese coffee (a Vietnamese dark-roast coffee poured over ice and sweetened with condensed milk), Eastern European beet kvass, Mexican hot chocolates and Indian-style lassis.



#4

MASHUPS

Hybrid offerings are trending on all areas of the menu—from appetizers and entrées, to desserts, to adult beverages. But mashups in the nonalcohol space have not been tapped to their full potential, particularly when it comes to breakfast beverages. Think of a coffee, smoothie or juice inspired by other beverages, desserts or nontraditional dishes, such as a lemonade smoothie or a coffee-hot chocolate combination.



#5

SIMPLER APPROACHES

Consumers continue to prefer simpler, more back-to-basic approaches to food and beverages. In regards to breakfast drinks, consumers are seeking out better-for-you ingredients, including more natural sweeteners and new milk varieties that bring them closer to nature. Experimentation is also happening with new coffee brewing methods that value craftsmanship and taste above all else. And operators are even using more rustic glassware for breakfast beverages, with drinks like juices and cold-brew coffee being served in Mason jars.

