



FOODSERVICE

Breakfast Brief

Lodging

74%

of consumers say they prefer to eat their breakfast in the lodging foodservice facility, as opposed to taking it to go

Foodservice at lodging facilities — like hotels, motels, casino hotels and resorts — is evolving to meet consumers' increasing demands for higher-quality offerings. While cereal, toast, orange juice and drip coffee may have once represented a well-balanced breakfast program, foodservice directors at lodging facilities are now showcasing extensive and premium food and beverage amenities that draw lodgers to their noncommercial venues.

Breakfast Behaviors

Consumers take into account a range of attributes when selecting a lodging facility, including location, amenities and price. Foodservice also has a grand impact. **Almost two-thirds of consumers agree that the quality of the food and beverage program influences which lodging facility they choose.**

Taste and convenience are, of course, table stakes, but offering breakfast free of charge provides an enhanced experience. More than three in four consumers say that it is important that complimentary breakfast is included in the price of the lodging stay. As consumer expectations for lodging visits evolve, foodservice directors must adapt with better menu programs to stay competitive.

Base: 1,001 consumers who have visited a foodservice location within a lodging facility in the past three years



Depending on the tier of lodging facility (e.g., economy, midscale, upscale, luxury, etc.), breakfast dining venue options may be as limited as a continental breakfast or a vending machine or as extensive as multiple restaurants and bars, room service and kiosks.

When asked to identify the types of lodging foodservice they are most likely to frequent for breakfast, respondents selected complimentary continental breakfast first (68%), followed by restaurant/bar (49%) and room service (20%). Less popular breakfast choices include banquet service/catering (12%), vending machine (7%), kiosk (5%) and convenience store (4%). Broken out by generation, we see that different age groups seem to frequent certain lodging facilities for breakfast over others. Baby boomers and matures prefer the complimentary continental breakfast and a restaurant or bar over other generations, while millennials have a much higher preference for room service breakfast. Further, Gen Z — more than its generational counterparts — frequent vending machines and convenience stores.

What types of lodging foodservice are you most likely to frequent for breakfast?

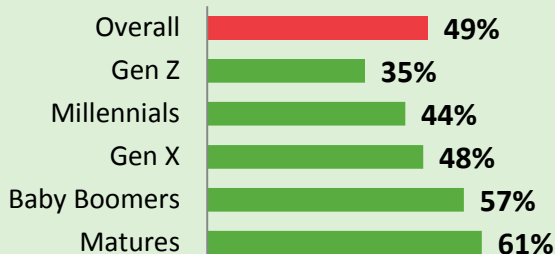
Please select up to two.
(Top three responses shown)
By generation



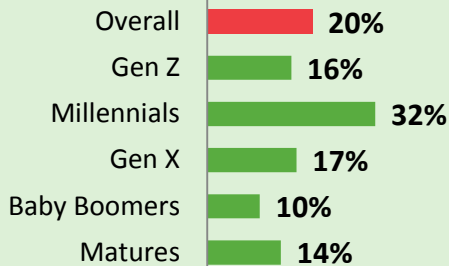
Complimentary Continental Breakfast



Restaurant/Bar



Room Service



Base: 1,001 consumers who have visited a foodservice location within a lodging facility in the past three years



Better-for-you Attributes

Consumers are placing a heavy emphasis on better-for-you fare at lodging facilities, as signaled by the following consumer data:

- **69%** of respondents agree that it is important that lodging foodservice facilities offer **housemade** breakfast items
- **56%** of respondents agree that it is important that lodging foodservice facilities are **transparent about where they source** their ingredients
- **50%** of respondents agree that it is important that **natural/organic** options are available for breakfast at a lodging foodservice facility

Lodging facilities are adapting to consumer demands by incorporating better-for-you terms on menus. Seeing two-year growth on breakfast menus at lodging facilities are more contemporary health labels like gluten-free (+53.1%), natural (+45.5%) and organic (+2.2%). One of the most traditional health terms, diet still sees the highest surge on lodging menus (+55.6%), fulfilling the needs of consumers who place utmost importance on the classic weight-restrictive health cue.

Other Better-for-You Terms to Consider on Lodging Breakfast Menus

- ✓ Local
- ✓ Skinny
- ✓ Dairy-Free
- ✓ High Fiber
- ✓ High Protein
- ✓ Antibiotic-Free
- ✓ Guiltless
- ✓ Lighter Fare
- ✓ GMO-Free

The Importance of Branding

Branding is more important to consumers at lodging foodservice facilities than at most other noncommercial venues. Overall, 63% of consumers say that it is important that the lodging facility they visit features brands they know and trust. This skews heavily toward males (68%) and millennials (72%). Similar skews are present regarding the importance of branding specifically for condiments, toppings and sauces. About seven in 10 men (68%) and millennials (70%) say that it is important for the lodging facility to present condiments, toppings and sauces in their original brand packaging.

One opportunity for hotels to add familiar breakfast branding is to spotlight a basket featuring Smucker's jams and peanut butters next to bread slices, pastries, oatmeal and yogurt at a complimentary continental breakfast venue to appeal to consumers who know and trust the Smucker's brand.



Menu Trends

The dishes, ingredients and flavors that fall in the top mentions on breakfast menus at lodging facilities are unsurprising. Among top breakfast entrees, for example, breakfast starch leads the list, followed by egg dish and combo plates. However, when looking at some of the fastest-growing mentions on menus in this segment, we start to see some interesting trends come into play.

A Move Toward Premium

The foodservice industry is upscaling overall because consumers have come to expect better ingredients. As a result, operators are moving toward more premium ingredients like arugula, lobster, goat cheese and caramelized onion, each of which shows significant growth on lodging breakfast menus.

Fastest-Growing Ingredients on Lodging Breakfast Menus

- 1 Arugula
- 2 Cucumber
- 3 Lemon
- 4 Vegetable
- 5 Cherry
- 6 Lobster
- 7 Pecan
- 8 Goat Cheese
- 9 Caramelized Onion
- 10 Espresso

Base: Q2 2014–Q2 2016 MenuMonitor, Technomic



SOURCE: STOCK PHOTO

In Washington, D.C., Hotel Palomar's room service offers a selection of cold-pressed juices like the Being Green featuring cucumber, celery, spinach, kale and lemon

Better Beverages

Foodservice directors are also revamping beverage programs at lodging facilities. Better beverage trends now include:

- Juice options that now go well beyond the standard orange and apple flavors to include cold- and fresh-pressed varieties; special blends of the day combining a wide range of fruits, vegetables, herbs and seeds; and healthy green juices
- Specialty coffee and espresso beverages beyond traditional drip coffee
- Hotel originals at breakfast like mocktails combining tea with various flavorings, or sparkling lemonade highlighting nontraditional flavors

Looking Local

Locally grown ingredients are inundating luxury and upscale lodging menus. Local fruits, vegetables and meats are all popular, often listed with the farm or specific location from which they were sourced. And many hotels are going a step further by building entire brands around local foods. Slated to open in fall 2017, Canopy by Hilton in Portland, Ore., will showcase local foods like wild salmon, razor clams, hazelnuts, blueberries and fiddleheads, as well as local beverages.



FEATURED RECIPE

Directions

Simplify your breakfast line by offering a build your own yogurt parfait station. Many of the items needed are already part of the breakfast line, it just takes a little inspiration! Today's consumers want to customize everything, so why not let them customize their yogurt? Consumers can customize plain or vanilla yogurt to their liking by adding different fruit preserves or jams, fresh fruit, and granola. By giving consumers the option to customize their yogurt, this eliminates the need to stock multiple yogurt SKUs.

Ingredients

- Plain or Vanilla Greek Yogurt
- Assorted Fresh Fruits and Berries
- Smuckers® Berry Preserves or Jams
- Granola (Optional)

Build Your Own Yogurt Parfait Station



**Percent Daily Values are based on a 2,000 calorie diet.*





Technomic Takeaway: 3 Areas of Opportunity for Lodging Breakfast

#1

MARKETING TO THE MASSES

Since the quality of breakfast fare influences consumers' choice of lodging facility, hotels must heavily market their breakfast excellence to the public. While traditional marketing tactics are necessary (e.g., TV and radio advertisement, social media, etc.), operations that find creative ways to promote their breakfast programs will engage consumers the greatest. For example, this past year, Holiday Inn Express sent its Pancake Selfie Express food truck on a tour of Holiday Express locations as a way to promote its breakfast. The food truck's pancake-making machine printed customers' selfies on its pancakes, heavily engaging Gen Z and millennial demographics, as well as families with kids. This takes the breakfast experience and the consumers' desire for customization to a whole new level.

#2

ACT LOCALLY, THINK UNIVERSALLY

Like the greater foodservice industry, hotels are increasingly catering to local tastes. For example, Wyndham Hotel Group's individual properties now provide regional specialties in addition to systemwide breakfast items. And as mentioned, locally grown ingredients are also growing on menus overall. Despite this movement toward local, hotels must consider the cost that goes into purveying locally or having different menus for each property. Featuring mostly recognizable ingredients and brands with some local influences sprinkled throughout is the best option.

#3

IN VIEW OF THE CUSTOMER

Since a vast majority of respondents agree that it is important for lodging foodservice facilities to offer housemade breakfast items, directors should consider moving part of the breakfast preparation in front of the customer to ensure transparency. Hotels that can't place a chef in view of the customer can highlight housemade influences by using corresponding menu descriptors or offering household brand names like Smucker's that are commonly associated with the highest quality as well as scratch-made preparations.

