

Thoughts

Reflexion and Analysis for the Indian Market

April 2018

Indian F&B Industry - Restaurants Trends



Foreword

The food and beverage sector in India is extremely evolving in nature with even more evolving restaurant trends. This sector is already the largest retail consumption category in India, accounting for approximately 31% of the country's consumption basket, compared to 9% in the US, 17% in Brazil and 25% in China. With population growth, globalization and coming of Internet, food trends in the restaurant space are undergoing an all time change.

As per a report from NRAI, annual sales in the restaurant industry are \$783 billion and annual food and beverage purchases are projected to be at \$279 billion.

We will definitely witness an era of new restaurant trends. Apart from the usual, fine dining, casual dining, ice cream parlours, food trucks and cloud kitchens which were a major attraction in 2017, in 2018, we will witness some very new concept:

Home Cooks

This is a new concept which will garner a lot of appreciation and eyes in the upcoming year. This essentially means a person who cooks in their home. While this format is similar to a cloud kitchen, it has their differences. In a cloud kitchen, one generally hires a chef, rents a place, gets the equipment in place and many a time one also hires a few staff to get the work done. On the contrary, a home cook himself or herself takes orders and cooks right from their home kitchen. The success is not because of homemade food, but for the fact that the home cooks have been doing this job over the past 10-15 years, and in the process have gained immense exposure and experience. In addition to that, most people who have the skill can easily start a home kitchen since it does not involve much costs. With the rise of social media, digital marketing and third party delivery tie ups, this format has gained greater feasibility, returns and popularity. Hence, this format will gain a lot of appreciation and will be readily acknowledged by people as 2018 food industry trend.

Highway Restaurants

We are nowadays always on the lookout for places that will take us away from the common, from the busy noisy concrete jungles. This is one of the main reasons why restaurant owners are increasingly looking for properties which is almost 20-30 kilometers away from the heart of the city on a highway. Highway restaurants are coming up in a big way, where there is ample of an open place, terrace or probably a



garden area. The rent of the property is also lower than that of a space in a posh locality. It gives everyone a break from monotony of everyday routine and gives them not just good food but also a great experience- something that big names in restaurant industry have been counting on to hit as a trend in 2018.

Quick Service Restaurants

While this is already a much-loved format, in 2018 we are expected to see its growth beyond leaps and bound. While we can see the growth of local OSR chains in large numbers, alongside we will also see the insertion of new International brands in the Indian market.

Food Trends

The new restaurant trends in the food and cuisines that you can expect to witness in 2018 are as follows:

A Return to the Roots

2018 is expected to be the year where more importance will be given to the authentic native cuisines of India. The year will witness people returning back to their roots. Currently, there are various restaurants which focuses on various international cuisines, however, there are hardly few restaurants which gives due attention and credit to the native food culture. Think yourself, how many good restaurants serve Meghalayan cuisine, for example? Regional foods are being explored and more local produce is being given value. Farm to table practice is going to hit the trending charts as local produce is given more importance over imported stuff and regional cuisines take the front seat. Jute leaves are making an entry with localisation of inventory and regional food changing the restaurant trends.

The Increasing Demand for Healthy Food

Apart from this, whole foods are the biggest trend in the food sector. Their importance started right from the initial stages of 2017, and they are also perceived to be very good for health because they cut carbohydrates and avoids gluten. Whole food is essentially those that have been processed or refined as little as possible and is free from additives or any other artificial substances. When it comes to the list of whole foods it includes items like wellness tonics, purple cauliflower, coconut chips,

alternative pasta and beet noodle. In addition to this, products such as alternate grain pasta have contributed to the overall sales performance.

Fermentation will also take a high ground when it comes to food. Indian food already uses fermentation while cooking and this method will make its way up to food invention and experimentation in 2018. Power food is also going to be a big trend in Indian food industry in the coming years. Chia-seeds, flax seeds, turmeric and veggies will find their way not just to restaurant food plates but to households in general following the whole fitness wagon. Gluten free food is the next talk of the town and will probably start off as a rising and viable food trend.

New Cuisines Will dominate the Scene

Middle Eastern appetizers such as hummus, or items such as shawarma and Falafel are already the favourites of many. Middle Eastern spices are also creeping in to give a distinct flavour to your taste palate. Za'atar, an interesting blend of thyme, oregano, marjoram and sesame, makes a great seasoning for chicken and flatbread. If you ever have grilled haloumi then you will consider called mozzarella sticks to be your favourites! We will witness a steady move beyond the standard curry towards fast-casual street food. New menu innovations like tandoori chicken poutine or spicy lamb burritos or chicken masala pizza will be featured on the menu. India will also see upscale Korean restaurants, which will come up in a big way, which will include fermented food, umami, and lots of spices into complex dishes. A focus on Persian, Israeli, Moroccan, Syrian and Lebanese cuisines is also highly expected to revolutionize restaurant trends that India will see in 2018.

Apart from these regional Indian foods will hit the charts as more flavors from North-eastern and tribal belt are discovered. Kashmiri, Himalyan and even local Bhojpuri food will find an audience coming from curiosity and upholding a spirit of experimentation and new tastes. While international foods will get a warm reception, local produce and country's own dishes belonging to different cultures will enter the limelight this 2018.

Vegan Alternative

There is a huge population in India who are or prefer to remain vegan. Hence, if you want to harness the potential of this huge crowd of vegans, then you must bring innovative vegan alternatives on your menu. Plant-based Sushi has already been creating a buzz around the country. Even whole foods now offer tuna roll alternative which is made from tomatoes. The strategically engineered plant-based foods are becoming a well-grooved plan to attract the all the vegans out there! Things like soy-



milk and grain cheese will hit the markets and diets of even those who are not vegans because of their nutritional qualities. Basically trends correlating with healthy and clean eating wave will be important in forming the core of newer restaurant trends to hit Indian food space in 2018.

All Day Breakfast

The breakfast menu is coming up in a big way. Whether it is waffles or pancakes, people are indulging in such dishes and are satiating their sweet tooth not only during the breakfast time but all around the day. With this change in the attitude of the consumers, restaurants nowadays are not only offering breakfast menu throughout the day, they are also bringing in innovations almost every alternate day. Be it waffle sticks, waffle sandwiches or variations in the domain of pancakes, they have all managed to hitch the customers with their tantalizing taste.

Beverage Trends

Alcoholic drinks bring in high sales for most restaurants. And people do indulge in drinks every now and then. However, the industry is going to witness a major change in this sector as well, such as:

Fruit-based Beverages

Since people are becoming more health conscious, there will be a massive shift or rather an inclination towards fresh fruit juices, smoothies and all things natural. Sodas even diet ones will see a drop as fresher local alternatives as Nimbu-Paani, Fresh lime sodas, Bantas or Juices hit the restaurant trend list with a slight twist.

Mocktails

We can expect to witness the increasing demand for non-alcoholic drinks in the upcoming year. Turmeric shots, charcoal-activated water, cold-pressed juices, and non-alcoholic spirits will become the go-to beverage for people in 2018. This shift is majorly expected because people are shunning alcohol or limiting intake since they value quality more than quantity.

Fizzy and Sparkling Drinks

Fizz is expected to go a long way. From sparkling coffee, sparkling sap based water drinks, to sparkling everything. Off late India has caught up to this fad of having G&T



considering the climate, which has been unapologetic and warm, will encourage the introduction of Imported and Indian artisanal tonics.

Mixology

Mixology which has already been in great demand is expected to reach new folds in the coming year. As the demand and interest grow, restaurateurs and bar owners are stepping up and focusing on their bars and how to raise them to international standards. This is a great move for mixologists as they are given the freedom to explore and get creative more than before. This resurgence of mixology might mean that your neighbourhood bar may have a better selection of gins for your Gin and Tonic. Mixologists nowadays are trying to put away any old-timey or ultra-serious affection in favour of a redoubled emphasis on hospitality in whatever environment suits them.

Craft Beer, Mead & Wine

India is such a growing market in terms of fermented beverages and the influence of west has resulted in the growth of craft beers, breweries in the country. Hence, 2018 awaits a launch of the first Meadery (fermented beverage from honey) in Asia called Moonshine meadery. This is one of the most popular restaurant trends will have a major impact in India in 2018.

The Restaurant Industry is dynamic and ever-changing. The growing needs of consumers and exposure to the global trends, make it imperative for restaurants to constantly innovate and bring in new ways to keep the customers enticed and keep coming back for me. Each year, new restaurant trends come and go, while there are some that evolve and get absorbed in the businesses.

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