The competitive game of World Cuisines

World cuisines are a vast and expanding market impacting consumer cooking habits but, more often than not, the Foodservice world first. As the hype of the World Cup starts, let's look at which eating-out cuisines have legs, which are being knocked out and which may qualify in the future.

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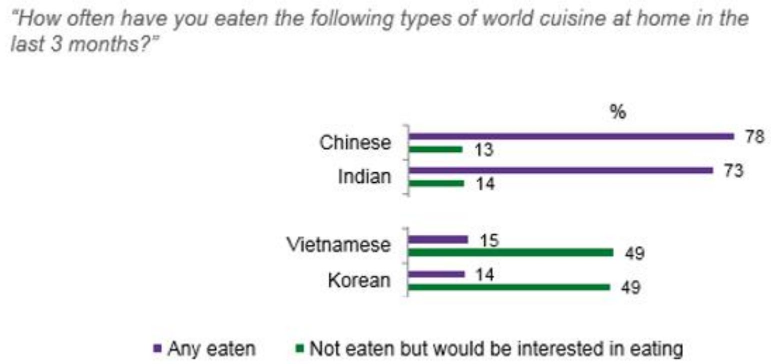
The UK's interest in cooking World Cuisines

It is widely known in the industry that world cuisines have grown in importance as UK consumer tastes and behaviours evolve. The retail market for world cuisines, including ready meals, cooking sauces and accompaniments/ingredients, grew by 4 per cent in 2017 to a value of £1.64 billion (Source – Mintel, World Cuisines, UK – Feb 2018). Improved ranges and convenient offerings are making world cuisines a more attractive option at home as they mitigate uncertainty around ingredients and cooking methods.

However, the current retail market is still dominated by a few major cuisine types, namely Indian, and Chinese, all of which are eaten at home by the majority of people. Yet, according to research by Mintel, interest in eating other world cuisines is much higher than current usage, highlighting an opportunity for brands and retailers to enter into a wider range of cuisines.

The chart below shows the two top and bottom types of world cuisines eaten at home in the last three months and those not currently eaten, but ones that people have expressed an interest in trying.



Source: Lightspeed/Mintel, November 2017 (Base 2000 16 yrs+)

The influence and importance of Foodservice for World Cuisines

Foodservice experiences are vital to build familiarity and confidence in trying new world dishes at home with 49 per cent of consumers claiming the reason they try a world cuisine at home is after trying it at a restaurant/takeaway (Source – Mintel, World Cuisines, UK – Feb 2018). Therefore, what we see trending in Foodservice indicates what consumers may want to see in retail.

Foodservice itself is a substantial part of the market contributing to approximately 18 per cent of protein (beef, pork and lamb) sales volumes in the UK (Source – AHDB Foodservice Report, 52 w/e June 2017). In the last year, UK adults* have eaten out 9.7 billion times in total, which is the equivalent spend of approximately £73.6 billion (Source – MCA, 52 W/E March 2018), showing the importance of the sector.

**N.B. Data only includes consumption by 18+ adults, UK residents and on meal or snack occasions, so excludes consumption by under 18s, tourists and on solus drink visits*

<u>**What World Cuisines are hot or not in Foodservice?**</u>

As we approach the start of the World Cup, what better time to look at current eating out cuisine habits in the UK.

So let's start with the current standings. Unsurprisingly, the number one cuisine eaten out in the UK is British, accounting for 54.6 per cent of eating out lunch/dinner occasions with no other cuisines coming close to knocking this off the #1 spot. In second position, we have American accounting for 14.8 per cent and in third Italian at 7.6 per cent. We then see the long-established cuisines of Indian, Chinese and Mexican finishing off the top 6 (accounting for 7.8% in total). Outside of these more traditional cuisines, we see smaller contributions from French (1.3%), Portuguese (1.2%) & Pan Asian (1%) with all other players falling below 1 per cent share of eating out lunch/dinner occasions (Source - MCA Menu & Food Trends Report Q1 2018 vs Q1 2017).

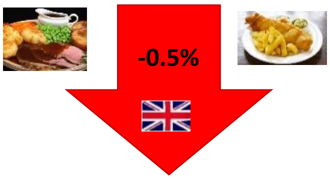
Top OOH cuisines - % share of lunch/dinner visits

	Q1 2018
British	54.6%
American	14.8%
Italian	7.6%
Indian	3.7%
Chinese	2.7%
Mexican	1.4%
French	1.3%
Portuguese	1.2%
Pan Asian	1.0%
Japanese	0.9%
Mediterranean	0.7%
Thai	0.7%
Turkish	0.7%
Spanish	0.6%
Middle Eastern	0.6%
Brazilian	0.5%
Caribbean	0.5%
Belgian	0.5%
Other	6.0%

Source: MCA Menu & Food Trends Report Q1 2018 vs Q1 2017

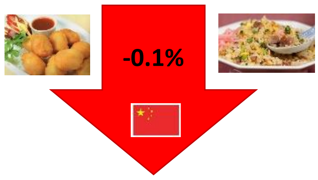
However, of more interest is how these standings are evolving.

Which World Cuisines risk getting kicked out?



Despite being the biggest cuisine, British dishes have lost the most share year on year, driven by diminishing roast, fish and chip and full English breakfast occasions. Established British dishes are iconic but need a shake up to reverse declines.

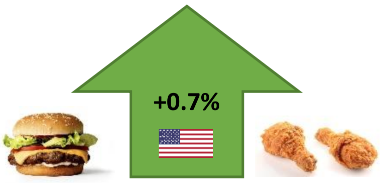
Pan Asian cuisine is losing share, following a very strong 2017 for Japanese (Sushi) and Thai. Now these are established, the Pan Asian market must innovate to rebuild momentum. Addressing this is new openings focusing on Korean fried chicken (eg On the Dak) and Taiwanese Bao Buns.



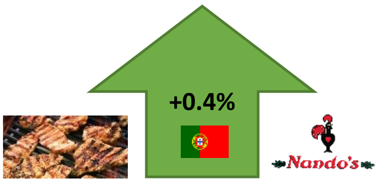
Chinese cuisine has seen slight share losses year on year, as traditional restaurants/takeaways have peaked, and declines are being stemmed by contemporary Chinese offerings such as Dim Sum and premium settings (eg Duck & Rice Gastropub).

Source: MCA Menu & Food Trends Report Q1 2018 vs Q1 2017 – Top OOH cuisines – Biggest % share losers of lunch/dinner visits

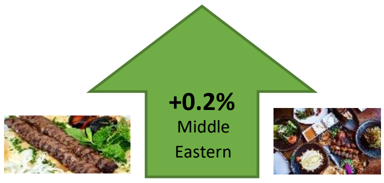
Which World Cuisines might make the finals?



American Cuisine has seen the biggest growth year on year, driven by the burger and fried chicken. Both showing no signs of slowing down as a ‘quick and easy’ eating out option. However, watch out longer term for red meat-focused BBQ dishes which are starting to slow (eg pulled pork).



Portuguese currently #8 is challenging French and Mexican rankings due to the trend towards healthier grilled chicken. Growth is coming from chain restaurant Nando’s but fine dining has now entered the space with Michelin starred chef Nuno Mendes opening 2 Portuguese restaurants this year.



Middle Eastern cuisine has benefited from health-conscious consumers wanting lighter meal options. There has been a surge behind Lebanese, Arabic and Iranian restaurants offering Mezze dishes such as Tahini, halloumi and falafel, followed by mains of healthy kebabs and grills.

Source: MCA Menu & Food Trends Report Q1 2018 vs Q1 2017 – Top OOH cuisines – Biggest % share gainers of lunch/dinner visits

Which World Cuisines might qualify in the future?

Not featuring in the current eating-out rankings but warming up behind the scenes, are:

1. Food from West African countries making waves in street food (eg Chale!) and fine dining (eg Ikoyi). The concept is ‘slow foods’ such as stews and soups, which involve fresh or smoked fish, crab, goat, chicken or beef cooked with ingredients such as palm fruits, tomatoes, coconut, ginger and melon seeds, resulting in a healthy dish full of flavour.

2. Venezuelan food is the latest South American cuisine to make a splash in the restaurant scene. An example is Arepa & Co where cornbread, maize, black beans, fried plantain, avocado, cassava, shredded beef, pork loin and roasted vegetables are the core of the kitchen.
3. Also coming out of South America is Peruvian cuisine (eg Ceviche) with traditional staples being corn, potatoes, Amaranthaceaes (quinoa, kañiwa and kiwicha) and legumes (beans and lupins).

Source: MCA Menu & Food Trends Report Q1 2018 vs Q1 2017

Understanding what dishes consumers are eating out of home (and, potentially, in the future in home) provides an opportunity to identify areas for processors and retailers to innovate offerings and inspire world cuisine recipes that incorporate a variety of different foods.