

# Nine global trends in food and beverage



By [Lauren Hartzenberg](#)

22 May 2017

Globally, food and beverage (F&B) are playing an increasingly important role in the reason people visit shopping centres, sometimes superseding consumers' attraction to retailers themselves.



Yvonne Court

Locally, F&B is expected to increase its value as a drawcard. The Middle East & Africa is the second-fastest growing region in terms of consumer spending on 'eating out', with an average growth of over 7% between 2006 and 2016. This region also holds the strongest forecasted growth, with 7% growth expected per annum between 2017 and 2027.

In her keynote at the recent [SACSC Research Conference](#) in Johannesburg, Dr Yvonne Court, partner and head of international consultancy, EMRA cross-border retail and leisure, for Cushman & Wakefield, assisted attendees in future-proofing their F&B retail offering by unpacking the major global trends.

## Changing consumer expectations

Rapid population growth and urbanisation have resulted in the swelling of the middle-class segment, which is becoming more affluent, educated and better connected to technology.

According to Court, this all has an impact on retail and leisure destinations, and how products such as food and beverage are being consumed.

"Consumer expectations are changing; they now expect more from their retail and their leisure. They want choice and convenience," she said. Longer working hours means time for leisure is squeezed and with the F&B sector's competitive environment, operators are grappling for their share of the consumer's time and wallet.



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## Benefits of F&B

Court said that it's important for shopping centres to respond to consumer trends and optimise their F&B offering accordingly. "Well-configured and complementary spaces for dining and socialising is one of the most effective ways to introduce diversity and vitality into shopping centres. It also helps to differentiate [brick and mortar] retailers, by offering an experience that can only be obtained from visiting the mall." Adding to these benefits, F&B is also known to boost dwell time and extend shopping hours.

"By creating a more diverse environment for people to shop, visit and socialise in we will begin to create a new set of customers who wouldn't otherwise have shown interest in the mall."

Court's top global food and beverage trends are summarised below.

### 1. Curious but conscious

Consumers now travel more widely and are exposed to new foods, which has ushered in a new wave of global cuisine driven by consumer curiosity. And yet, while they desire these global flavours, they now also want to connect on a more personal level with their food. They want to know where their food is coming from and they want to positively impact their local community by purchasing the goods produced there.

## 2. The hunt for new experiences

Modern consumers are driven by a sense of exploration and the 'fear of missing out'. To satisfy this, restaurants are now offering novel experiences, such as pop-up restaurants available for a limited time only or secret venues marketed purely through word of mouth or social media. People are looking for more entertainment-filled venues, Court said. They want to have the thrill of the hunt.

"Today's educated consumers want top notch dining experiences, whether at fast food or fine-dining restaurants. While F&B operators need to maintain the quality of their product offering, they need to simultaneously increase customer engagement through personalised offers and memorable experiences."



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## 3. Healthier food

Consumers want healthier food, whether it be vegetarian, vegan, low-fat, gluten-free or simply prepared from fresh ingredients. Special diets have become popular and people want control over what they're putting into their mouths outside of the home too. Quality and healthy is becoming increasingly synonymous, she said.

## 4. Greater environmental concern

The increasing emphasis on the environment is pushing local food service operators to source their ingredients more locally and sustainably. Artisanal vendors are drawing more support because of this. Court stated that while many consumers will remain loyal to large conglomerates – such as Starbucks – coffee connoisseurs in urban areas are visiting independent artisan coffee shops instead.

## 5. Pick and mix

Consumers want to pick and mix, thereby creating their own dining experience. "The genesis of the food hall has provided the opportunity for them to do this, allowing people with differing tastes to socialise, and perhaps try different foods or stick with their favourites. They get to design their own experience at varying price points because it's all under one roof."



@tykhyi via [123RF](#)

## 6. Consumers know what they want

Consumers know how, when, where and what they want. They now want access to restaurant-style food and beverage wherever they happen to be, whether at home, work or elsewhere. With so many restaurants vying for business, maintaining customer loyalty has become increasingly important and increasingly difficult. Court believes delivery services to be one of the most effective enablers of this.

## 7. Tech as a disruptor and research tool

Technology will continue to be a big disruptor in the F&B sector. Consumers and operators alike are going to have to adopt new ways to engage with each other. The convenience of online ordering and payment, and digital loyalty programmes, etc. will change the nature of how consumers relate to the F&B sector.

Consumers want more customisation and convenience, and Court insisted that “novelty will continue to drive automation.” More chains are using touch screens, chatbots and artificial intelligence to take orders, while US brands such as Domino’s and Chipotle are already [testing drone delivery](#). Voice recognition tools, like Amazon echo, will allow customers to place an order from their home by simply using their voice.

Importantly, the digital collection of data from social media and the internet enables research and provides insight into consumers and what they want. It facilitates easy communication between customers and operators and allows brands to make an impact.

## 8. Food waste

Food waste is a growing issue, particularly in more mature markets, but restaurants and retailers are becoming more aware of the problem. Innovative solutions are springing up like pop-up restaurants focused on utilising food waste and UK-based company [Rubies in the Rubble](#) which takes food waste and creates preserves and relishes from it.

## 9. Food as culture

“Food is increasingly being seen as food culture, which refers to the behaviour, attitude, beliefs as well as the networks related to the production, distribution and consumption of food and drink.” It’s become trendy to talk about one’s latest dining experience, and share it with one’s friends, family and social media followers.

## Responding to change

Adapting to these trends will bring new customers into shopping malls, Court asserted. Some global malls are responding by dedicating more space to F&B, and having F&B operators widely distributed around the mall instead of just in a food court.

"We'll need a more targeted and strategic approach to how we factor food and beverage into our malls. Research into the right mix of F&B will be vital, as will an understanding of who's using it and when they're using it."

She also said that mall managers need to think about how to accommodate the influx of delivery services and online ordering, and how this impacts the design of parking areas and kitchens, for example. "Importantly, we're going to have to understand how F&B operators function because their operational needs are very different to those of a retailer, and we need to understand that."

*The SACSC Research Conference was held on 17 May 2017 at The Maslow Hotel in Sandton, Johannesburg.*

## ABOUT LAUREN HARTZENBERG

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