



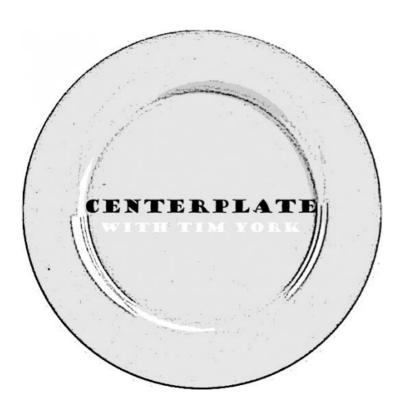
Opinion

Tune into Generation Z's growing appetites

By **Tim York** January 24, 2017 | 10:00 am EST







It's difficult to attend a seminar on marketing or hear the latest trends without talking about the coveted millennial generation, adults age 24-39.

But there is another demographic coming of age that will also have a profound impact on the world:

Generation Z.

Generation Z — also dubbed the "net generation," "post millennials" and "plurals" — are age 13-23, 68 million strong, and are slowly shaping preferences and tastes for foodservice.

To understand them, it's important to know some of their defining characteristics and those of the generation before them, which set their stage.

First, they are the most tech-savvy generation to date, growing up not just with computers and social media, but also with touch screens and smart phones. Their attention spans are short and expectations for convenience high.

They build off the effects made by millennials, who drove increases in takeout and delivery in foodservice, and are largely responsible for the success of delivery services like UberEATS, DoorDash and PostMates.

Their access to technology fuels increased desires, like millennials before them, for transparency behind how products, including food, are brought to market.

They, too, are values driven, but having grown up in a recession, are more frugal than their slightly older counterparts. Millennials and Gen Z'ers are heavily reliant on foodservice, which bodes well for this segment.

But perhaps one characteristic that most defines Gen Z is their ethnic diversity.

"Nearly 50% of Gen Z are non-Caucasian, compared to boomers, at 28%," said Melissa Abbott, vice president of culinary insights at the Hartman Group, in Food Business News.

"Gen Z's diversity will continue to drive food culture trends we already see around the exploration of authentic, global food experiences, and the impacts of this diversity are going to include how they eat."

While they are still developing their palettes, their diversity has created a comfort with bold flavors, which they see not necessarily as "ethnic" but as an extension of a new "American" diet taking shape, which is a hybrid of cuisine and flavors from around the globe.

Foodservice operators are embracing these desires and some are creating appeal by adding new flavors to traditional favorites.

Noodles & Co. recently launched Spicy Korean Beef Noodle, which contains steak in a gochujang sauce on ramen with napa and red cabbage and sprouts with cucumber, green onions and cilantro.

Tropical Smoothie Cafe features a wrap with Thai chicken that includes sriracha aioli and Thai chili sauce.

Gen Z isn't just affecting the foodservice industry with their flavor preferences, they are learning from their parents and taking a cue on more healthful eating.

Thirty-eight percent say they would visit restaurants more frequently if healthier options were available. They define health in terms of nutrition and halo terms such as natural and organic.

They also say they care about sustainability and social responsibility. Despite their preferences, they are not willing to pay more for them.

Some are moving away from "fast food" and showing greater preferences for fast casual experiences, such as Chipotle and Panera, in search of healthier fare.

However, not all their tastes lean toward ethnic, sophisticated or healthy, and herein lies a paradox. In spite of all the interest in global cuisines and transparency in food, they also seem to be interested in unique and craveable options that break the mold of their preferences.



Burger King has rolled out Mac n' Cheetos snacks at select locations, and Taco Bell is testing the Cheetos Burrito with rice, seasoned ground beef, nacho cheese and Cheetos in a flour tortilla — all aimed at Gen Z. The jury is still out on the success of these offerings.

Also in search of some love from Gen Z and millennials are operators that — realizing the busy, on-the-go nature of these groups — are scrapping the traditional eating occasions to provide customers what they want when they want it.

McDonald's serves breakfast all day. IHOP is promoting Criss-Croissants, waffle-cooked croissant dough with fillings and toppings, anytime. Firebirds Wood Fired Grill includes burgers for breakfast, lunch or dinner.

Those of us in produce should keep our eye on this group, whose preferences and effect are just beginning to take shape.

"Each generational group may have distinctly different foodservice needs, yet there are opportunities to leverage their similarities and target specific customer groups," said Sara Monnette, senior director of consumer insights for Technomic.

"Regardless of the generation, it's vital for operators and suppliers to understand their core audience."

For now, we know Gen Z's drive for health is positive for produce. Their desire for convenience could benefit those who create products that fit within busy lifestyles.

And their flare for flavor poses opportunity for center-of-plate produce offerings that include ethnic and bold flavors. As for what else the future holds for this group? Stay tuned.

Tim York is CEO of Salinas, Calif.-based Markon Cooperative. Centerplate is a monthly column on "what's now and next" for foodservice and the implications for produce. E-mail timy@markon.com.

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