

Quick Service Restaurants - US - May 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"As the lines between traditional restaurant segments continue to blur, QSRs (quick service restaurants) have been taking steps to remain competitive in the changing restaurant landscape. Most QSR users agree that QSRs are the best option when they are short on time. QSRs must make it a priority to maintain this position by continuing to deliver tasty food conveniently and consistently."
- Emily Turner, Foodservice Analyst

This report looks at the following areas:

As a secondary focus, QSRs must strive to appeal to both consumers that are willing to pay more for more sophisticated options and premium ingredients as well as customers that expect the "fast-food" they've always known at affordable prices. To remain relevant, QSRs must monitor consumer and foodservice trends and make any appropriate changes. To grow within the segment, QSRs will need to innovate while remaining true to their core brand mission, vision, and loyal core consumer.

The purpose of this Report is to analyze consumers' attitudes, behaviors, and perceptions surrounding QSRs. It will also explain what is trending at QSRs, both on the menu and more broadly across the segment, as well as profile some of the newer players in the market. While this Report touches on convenience store, grocery, and fast casual restaurants, this report exclusively focuses on QSRs.

For the purposes of this Report Mintel has used the following restaurant definitions:

- Limited service restaurants (LSRs) – These establishments provide food services where customers usually select and order items and pay before dining. Food/drink may be consumed on the premises, offered as carryout, or delivered to the customer's location. They may also sell alcoholic beverages. LSRs include both QSRs and fast casual restaurants.
- Quick service restaurants (QSRs) – Used interchangeably with "fast-food," QSRs specialize in inexpensive, convenient meals. There is no waiter service, no alcoholic beverages, and low price point. Examples include: McDonald's, Kentucky Fried Chicken, Taco Bell, Wendy's, and Pizza Hut.
- Fast casual restaurants – These establishments are characterized by a higher price point than QSRs though not as high as full service restaurants. Fast casuals do not offer waiter service and may or may not serve alcohol. Examples include: Chipotle, Panera Bread, Shake Shack, and Blaze Pizza.

Full service restaurants (FSRs) – These establishments have waiter/waitress service in which customers order and are served while seated. They may also sell alcoholic beverages and offer carryout services. These include the restaurant segments: midscale, casual dining, and fine dining

BUY THIS
REPORT NOW

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Quick Service Restaurants - US - May 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

What you need to know

Definition

Executive Summary

The issues

Consumers report drop in frequency of QSR visitation

QSRs face increased competition from fast casual, convenience stores, and grocery

Price promotions and value wars

The opportunities

Speed, convenience, and tasty food

Consumers have positive opinion of QSRs

Technology integration

What it means

The Market – What You Need to Know

US economic factors

Any way you want it, any time you need it

Market Factors

Improving economy indicates favorable climate for restaurants

Figure 1: Unemployment and underemployment, January 2007-March 2016

Figure 2: Consumer Sentiment Index, January 2007-March 2016

Food and drink available anywhere and anytime

Key Players – What You Need to Know

Fast food gets a face-lift

The new faces in fast food

Incoming international hopefuls

QSR Switches Up Its Strategy

Big names in QSR are taking their brands in a new direction

New and Emerging Brands

Fresh faces in QSR are changing “fast-food” as we know it

Global Brand Imports

International brands and cuisine are entering the US market

Mintel Menu Insights

All-day menu remains dominant, breakfast menu driving growth

Flavors are up

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Quick Service Restaurants - US - May 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Ingredient claims up 25%, menu item claims up 21%

What's Working?

Online mobile ordering and delivery
 Late-night menus and happy hours
 Loyalty programs and social media

What's Struggling?

Defining what value means
 Competition from C-store and Fast Casuals
 Brand identity and authenticity

What's Next?

QSRs leverage digital and social media platforms for ordering
 Would you like a beer with that?
 Dog treats at the drive-thru

The Consumer – What You Need to Know

QSR still the most visited restaurant segment
 Benefits of offering healthful, customizable, kid-friendly options
 Opportunities still available for QSRs despite drop in visitation frequency

QSR Visitation

Men, Millennials, and Hispanics are among the heaviest QSR users
 Figure 3: QSR visitation in the past month, any visitation, February 2016

Correspondence analysis: Order method by QSR type
 Figure 4: Correspondence analysis of how consumers ordered QSR food, February 2016

QSR visitation by brand
 Figure 5: QSR visitation by brand in the past 30 days, Fall 2013-Fall 2015

QSR Areas of Opportunity

Diners want more healthful options at QSRs
 Figure 6: QSR areas of interest, February 2016

Give consumers choice when they dine out
 Figure 7: QSR areas of interest, "Customizable menu items," by generation, February 2016
 Figure 8: QSR areas of interest, "Premium menu items," by demographics, February 2016

Reaching the female consumer
 Figure 9: QSR areas of interest, by gender and age, February 2016

Parents are interested in a variety of options
 Figure 10: QSR areas of interest, by parents and age, February 2016

Urbanites want more from QSRs
 Figure 11: QSR areas of interest, by area, February 2016

Reasons for Visiting QSRs

**BUY THIS
 REPORT NOW**

VISIT: store.mintel.com
 CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
 APAC +61 (0) 2 8284 8100 |
 EMAIL: reports@mintel.com

Quick Service Restaurants - US - May 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Convenience and tastiness drive QSR visitations

Figure 12: Reasons for visiting QSR, February 2016

Dads love QSRs

Figure 13: Reasons for visiting QSR, by parents and gender, February 2016

Figure 14: Top reasons for visiting a restaurant with the family, "Any rank," June 2015, Families Dining Out – US, September 2015.

QSR visitation reasons vary by age and income

Figure 15: Reasons for visiting QSR, by age and income, February 2016

Key Drivers Analysis

Methodology

Overall satisfaction with QSRs is high; KDA reveals areas to improve/promote

Figure 16: Key drivers of level of satisfaction with QSR visited most often, February 2016

QSR Attitudes and Behaviors

QSR visitation is stagnant despite generally favorable opinions

Figure 17: QSR statement agreement, February 2016

Loyalty programs are an area of opportunity for QSRs

Figure 18: QSR statement agreement, "I am more likely to visit [a QSR] that has a loyalty program," by select demographics, February 2016

QSR "loyalists"

Figure 19: QSR statement agreement, "I am willing to go out of my way to visit [a QSR] I like," by select demographics, February 2016

QSR Deals

Appeal of deals varies by demographics

Figure 20: QSR deal/value appeal, February 2016

Figure 21: QSR deal/value appeal, "Family/group value meals," by size of household, February 2016

Women are most motivated by coupons

Figure 22: QSR deal/value appeal, by age and gender, February 2016

Efficacy of deals varies by income

Figure 23: QSR deal/value appeal, by income, February 2016

Parents want deals when they dine out

Figure 24: QSR deal/value appeal, parents, February 2016

TURF Analysis – Deals

Methodology

Reach unique consumers by offering different deals/value options

Figure 25: TURF analysis: QSR deals, February 2016

Appendix – Data Sources and Abbreviations

Data sources

Consumer survey data

Mintel Menu Insights

Abbreviations and terms

Abbreviations

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Quick Service Restaurants - US - May 2016

Report Price: £2466.89 | \$3995.00 | €3133.71

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Terms

Appendix – Consumer

Simmons

6-month NCHS Adult Study

Figure 26: QSR visitation by brand in the past 30 days, fall 2013-fall 2015

Interpretation of results KDA

Figure 27: Level of satisfaction with QSR visited most often, – Key driver output, February 2016

TURF analysis

Figure 28: TURF analysis – QSR value deals, February 2016

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com