SANDWICHES

a SNAP! keynote

- analyze consumer attitudes and behaviors toward sandwiches
- learn what motivates people to eat more sandwiches
- discern different need states at home and at foodservice
- uncover opportunities to solve operator pain points
- discover trending menu terms and the secret to successful LTOs
- examine how demand for sandwich trends is being met

There are many layers to sandwich trends. For as ubiquitous and well-liked as they are, the sandwich doesn't always stand out in consumers' minds, even when it can satisfy their needs for health, indulgence, or, most often, flavor. Yet retailers and foodservice operators recognize sandwiches' ability to grow sales, offer seemingly endless customization, and drive profitability. This entire menu category presents operators and suppliers with opportunities to bolster menu innovation and explore new tastes, in a format consumers always return to. **Order your report today and start building better sandwiches.**

DATASSENTIAL

SANDWICHES: a SNAP! keynote

Topics covered

identify consumer sandwich consumption habits and preferences

- follow sandwich menu penetration in foodservice over time
- learn which varieties of sandwich consumers have eaten more of recently
- view how the coronavirus pandemic has shifted where consumers get their sandwiches

uncover motivators for eating more sandwiches — at or away from home

- understand which sandwich attributes matter most to consumers
- discover the mega trends or global-sandwich varieties with the most customer appeal
- find out which components are most important to people's ideal sandwich build
- track down the most-liked breads, proteins, cheeses, toppings, and more

analyze operator challenges with and goals for menuing sandwiches

- identify how operators balance their profitability with adopting the latest trends
- study the fastest-growing sandwich varieties and flavors on sandwich menus
- examine what menu makers define as "premium" ingredients of a sandwich
- get a read on barriers to adopting different sandwich trends and components

explore supplier opportunities for building incremental sandwich sales

- see what operators say would solve their biggest pain points
- learn the most popular formats for purchasing breads, sauces and condiments, and more
- uncover categories with the biggest fluctuations in sales

From the report

OPERATORS

80% sell the most sandwiches during the lunch daypart

65% consider sandwiches to be a profit center on their menu

87% would pay more for ingredients they consider to have premium attributes

CONSUMERS

23% have eaten more cold sandwiches over the past year

59% are interested in seeing more premium chicken sandwiches

31% ordered their last sandwich from a restaurant as is, without customization

1,503 consumers demographically balanced to the general population

316 restaurant, retail, and on-site operators

report

x-tab tool

webinar

DOWNLOAD TODAY. Please contact Mark Brandau at mark.brandau@datassential.com.

METHODOLOGY

fielded online November 2020

1,503 consumers were surveyed overall

316 operators via the Datassential panel
- 155 restaurant operators
- 108 on-site operators
- 53 retail foodservice operators

full demographic info is available in the appendix

OBJECTIVES

- identify consumer sandwich consumption habits and preferences
- understand consumer perceptions and motivations for eating sandwiches at home and away from home
- analyze operator motivators, preferences, and challenges with menuing sandwiches
- in-depth menu analysis of popular sandwich flavors, ingredients, and trends
- identify supplier opportunities where operators and consumers have unmet sandwich needs

EXHIBIT GUIDE

EXHIBIT GUIDE (cont'd)

EXHIBIT GUIDE (cont'd)

SANDWICHES

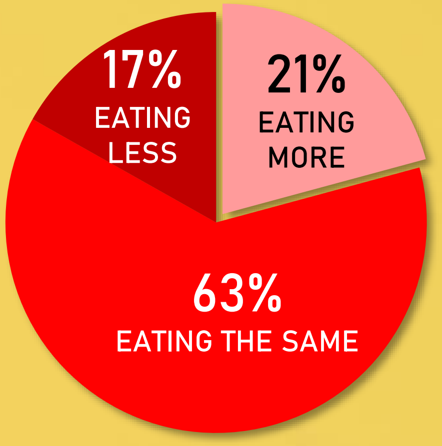
THE TAKEAWAYS

DATASSENTIAL

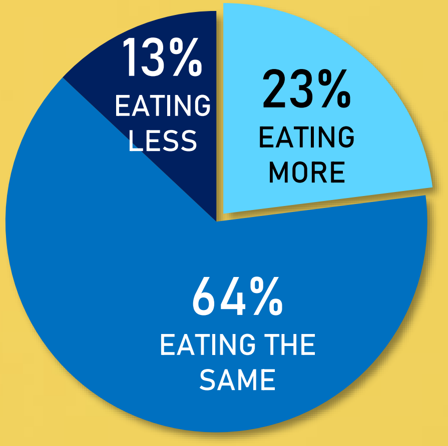
1. Sandwiches are steady sales staples.

Nearly two-thirds of consumers are eating as many sandwiches, both hot and cold, as they were a year earlier, and that frequency is high: 61% of people eat a sandwich at least twice a week at home. In general, they don't get too crazy with their choices, either. While consumers like being able to build and customize sandwiches at restaurants or at home, they're more likely purchasing ingredients for traditional ones they like.

Foodservice operators are "steady as she goes" on their sandwich menus as well. Compared with three years earlier, the median number of sandwiches on offer ticked up slightly, and while sandwich sales have mostly stayed flat in 2020, there have been some notable gains from specific varieties, such as fried-chicken, club, and Italian sandwiches.



HOT SANDWICHES



COLD SANDWICHES

B2: How has your consumption of sandwiches changed over the past year?

	Purchase here MORE often	Purchase here the SAME amount	Purchase here LESS often
Quick service	25%	54%	20%
Fast casual	20%	57%	23%
Midscale	15%	54%	31%
Casual dining	15%	56%	29%
Upscale casual	17%	51%	32%
Fine dining	17%	51%	32%
Retail food court	21%	56%	23%
Food truck	22%	52%	26%
C-store	23%	58%	19%
Supermarket	22%	59%	19%

B4: How has your sandwich purchasing changed at these places in the past year?

2. Sandwich consumption shifted away from foodservice during the pandemic.

Unsurprisingly, gains in sandwiches made or purchased came from retail outlets and at home while many consumers were stuck in quarantine or avoiding restaurants due to coronavirus. Four out of five sandwiches were eaten at home in this year's study. The number of sandwiches packed for adults to eat at work or for kids to eat at school also fell.

The full-service restaurant segment took a bigger hit from the pandemic, as nearly 10% fewer consumers ordered a sandwich at least once a month from midscale and casual-dining locations in 2020, compared with their ordering frequency in 2017. Quick-service restaurants and convenience stores managed to hold on to much of their traffic.

4. Innovation seems to be a young person's game.

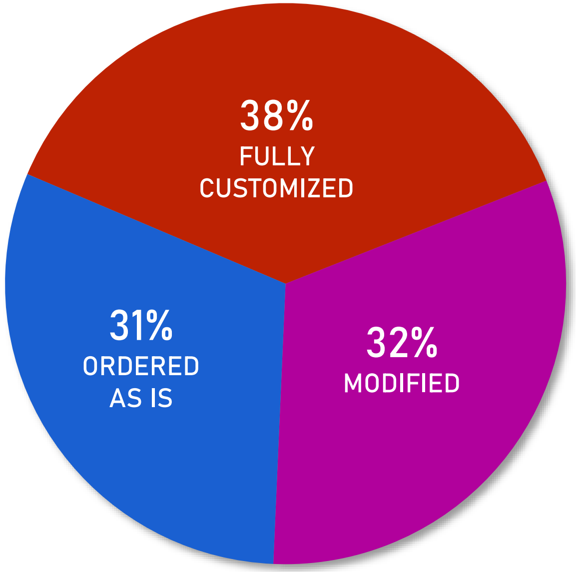
Interest in sandwich mega trends shows a skew toward men, as well as Gen Z and Millennial consumers. As one would expect, self-described "foodies" are also on the leading edge of adopting new culinary trends on sandwich menus, and there is far more overlap with younger consumers and that group. Women have indicated that some tactics, like combo meals, could coax them into trying new sandwiches or increase their purchasing.

	Total	Gen Z	Millennial	Gen X	Boomer+
Premium chicken sandwiches	59%	57%	64%	62%	48%
Premium meats	53%	51%	59%	59%	41%
High-flavor prep methods	50%	49%	58%	54%	37%
Specialty cheeses	48%	48%	56%	50%	37%
Big sandwich builds	47%	44%	54%	51%	34%
Salad as sandwich topping	40%	31%	50%	42%	29%
Pickled toppings	37%	35%	50%	37%	23%
Savory jams	36%	38%	47%	38%	21%

D1: How interested are you in trying these items or sandwich trends?

6. Customers value versatility, and that often means customization.

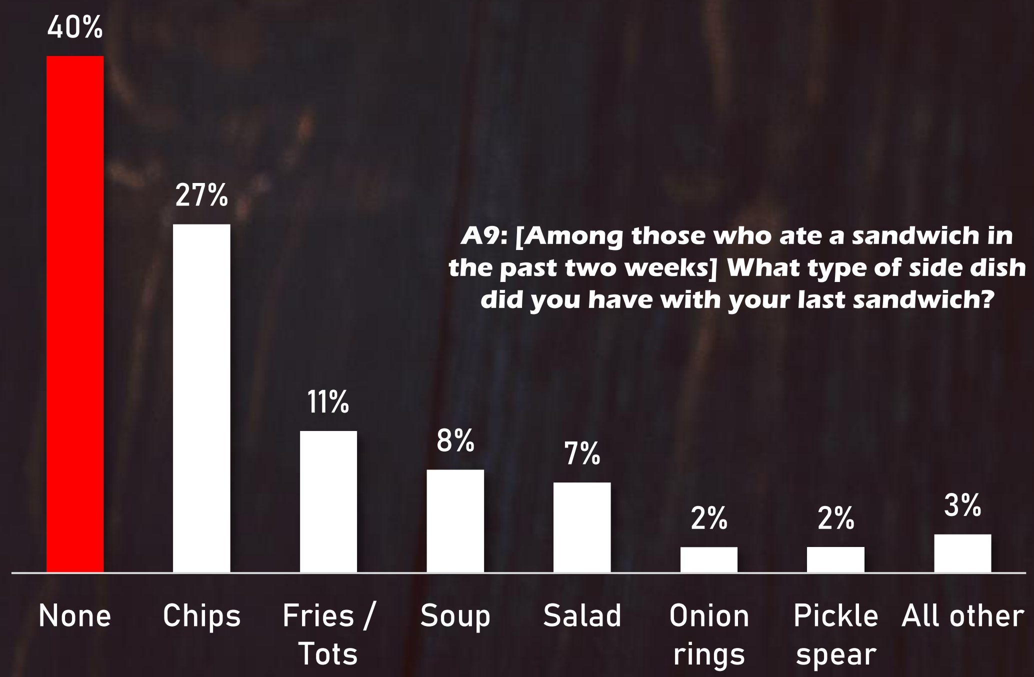
People frequently eat sandwiches for their ease and versatility, and nearly as many consumers cite customization as a reason for choosing a sandwich over another option. Foodservice operators should take this to heart, especially because made-to-order or customizable sandwiches are important factors to many people when selecting where to buy a sandwich, especially for Gen X and Boomer consumers. In fact, only 31% of consumers ordered a sandwich at a restaurant without building their own or modifying it in some way. It's important to offer different options across the entire build, as nearly half of consumers value all components of a sandwich equally.



A15: [Among consumers who got their last sandwich from a restaurant]: Did you customize this sandwich, or was it ordered from a set menu?

8. Operators and suppliers could start a side hustle to grow sales.

Four out of five sandwiches were eaten as a part of a full meal rather than a snack (down from 84% three years earlier), but only 60% were eaten along with a side such as chips, soup, or even a pickle. That figure increases away from home, but still lags overall consumption. Considering that combo meals entice people to order more sandwiches away from home, there is an opportunity for suppliers to suggest creative pairings with salads, beverages, or desserts — or to expand into those lines themselves.



Get something interesting into the pantry to spice up sandwich making

Condiments and sauces are an area of sandwich consumption in which brand matters most. More than two in five people say the brand is important when selecting a condiment for a sandwich, but right behind are unique, interesting flavors, which 37% of people say matter as well. It's an opportunity for trusted manufacturers to be known for more than their go-to mayo, mustard, or jelly. As often as not, consumers are making sandwiches at home from what they have on hand, rather than going out to the grocery store looking for one condiment for a single type of sandwich. Get into consumers' pantries, and the brand will wind up in the consideration set more often. In the past four years, the fastest-growing sauces and flavors on sandwich menus pack a lot of heat: Nashville hot, sriracha, harissa, and chipotle all rank near the top.

SANDWICHES

MEGA TRENDS

DATASSENTIAL

SANDWICH MEGA TRENDS

SANDWICHES

NEW DIRECTIONS & GROWTH

| changes in consumer behavior
| openness to alternatives
| fast-growing sandwiches
| what's trending for operators

DATASSENTIAL

Consumers are most likely to rate all sandwich components as equally important, but men and younger generations could be prime targets for marketing of premium ingredients.

These groups are driving the focus on proteins, breads, and toppings as differentiators.

% of consumers selecting as important	2020	2017	CHANGE	
They are equally important	46%	47%	-1%	Significantly more likely for Women (52%) and Boomers (58%).
Proteins	21%	20%	+1%	Significantly more likely for Men (26%).
Bread / carrier	12%	9%	+3%	Significantly more likely for Gen Z (19%).
Cheese	10%	12%	-2%	
Toppings	7%	6%	+1%	Significantly more likely for Millennials (9%).
Condiments / sauces	4%	5%	-1%	
Other	1%	1%	--	

B5: What do you consider to be the most important component of a sandwich?

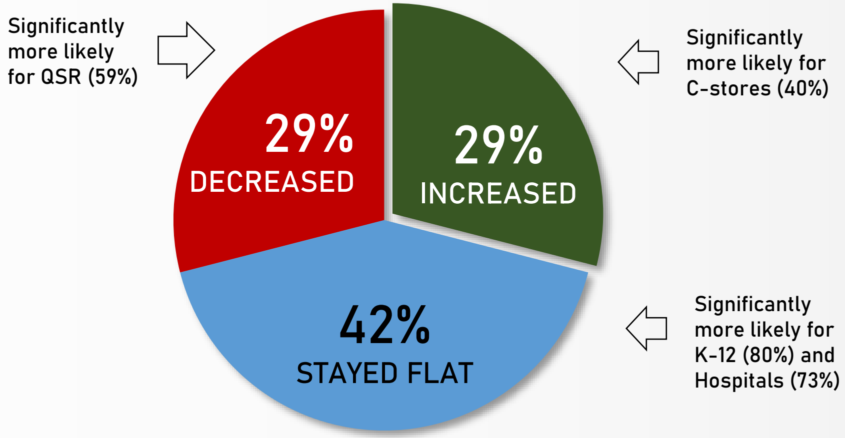
2020 n=1,503; 2017 n=1,004

WHAT'S TRENDING FOR OPERATORS

Sandwich sales were mostly flat, with subtle shifts compared to 2017 in consumers' favorite varieties.

More respondents said a fried-chicken sandwich was a best seller, giving more credence to the idea that 2020 was the Year of the Chicken Sandwich.

Operators' Change in Sandwich Sales



Operator A10: How have sandwich sales changed in the past year at your foodservice operation?

Best-Selling Sandwich Varieties

	% of operators selecting in 2020	2017	CHANGE
Cold Cut	14%	19%	-5%
Club	8%	6%	+2%
Grilled Chicken	6%	8%	-2%
Philly Cheesesteak	6%	7%	-1%
Fried Chicken	6%	2%	+4%
Italian	5%	3%	+2%
Deli Salad	5%	5%	--
Reuben	5%	5%	--
Sub / Grinder	5%	6%	-1%
BBQ	4%	4%	--
Grilled Cheese	4%	5%	-1%
Panini	4%	4%	--
BLT	4%	4%	--
French Dip	3%	3%	--
Lobster Roll	1%	0%	+1%
Meatball	1%	1%	--

Operator A11: What is the best-selling sandwich in your foodservice operation? Select only one.

SANDWICHES

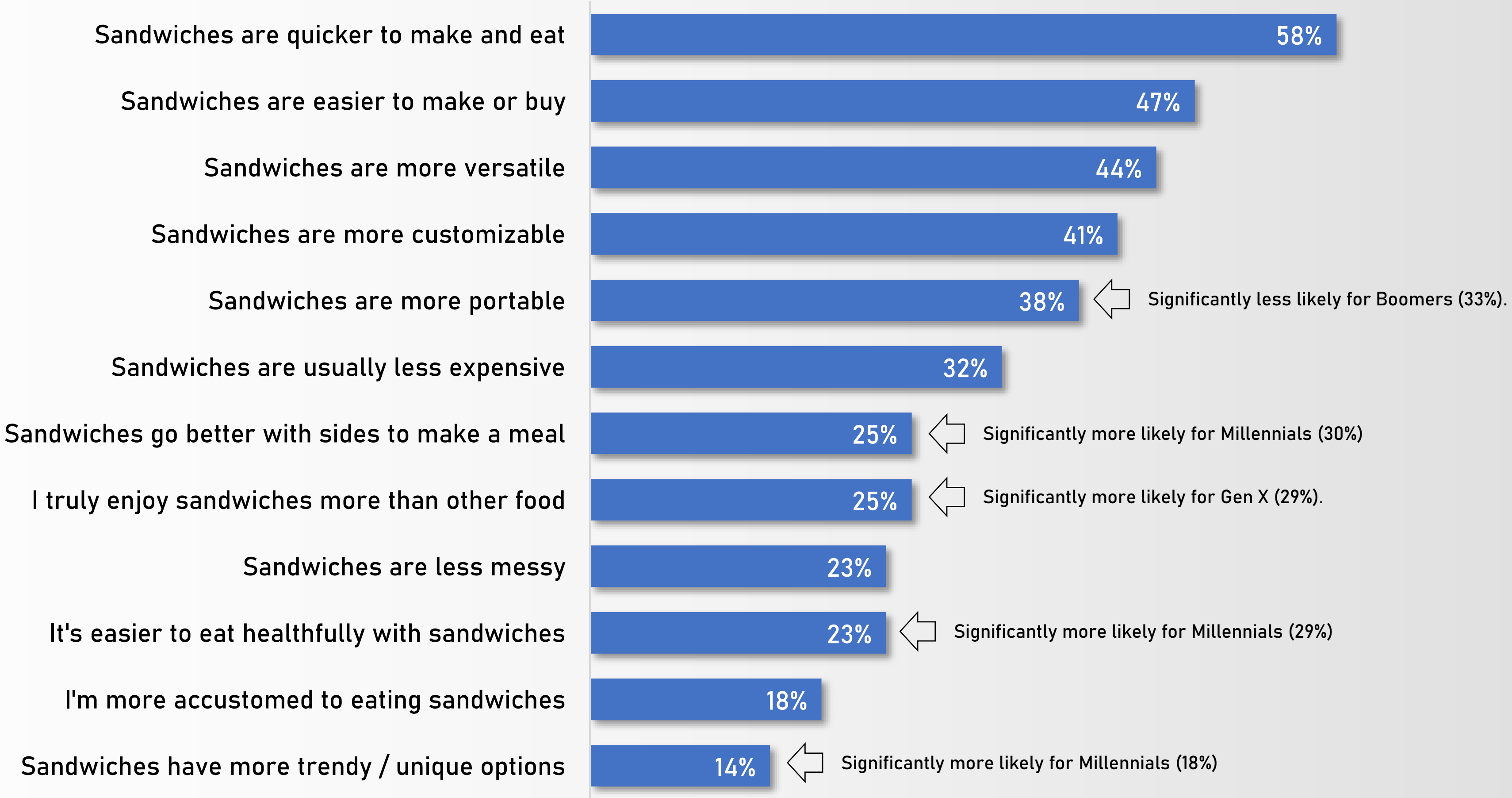
CONSUMER PERSPECTIVES

| most-loved varieties
| purchase motivators
| attribute importance
| how consumers build their ideal sandwich

DATASSENTIAL

Sandwiches are few people's favorite food, but consumers love that they're quick, easy, and versatile.

It will be a heavier lift to get sandwiches perceived as unique and trendy, but pitching newer options to younger guests would be the place to start.

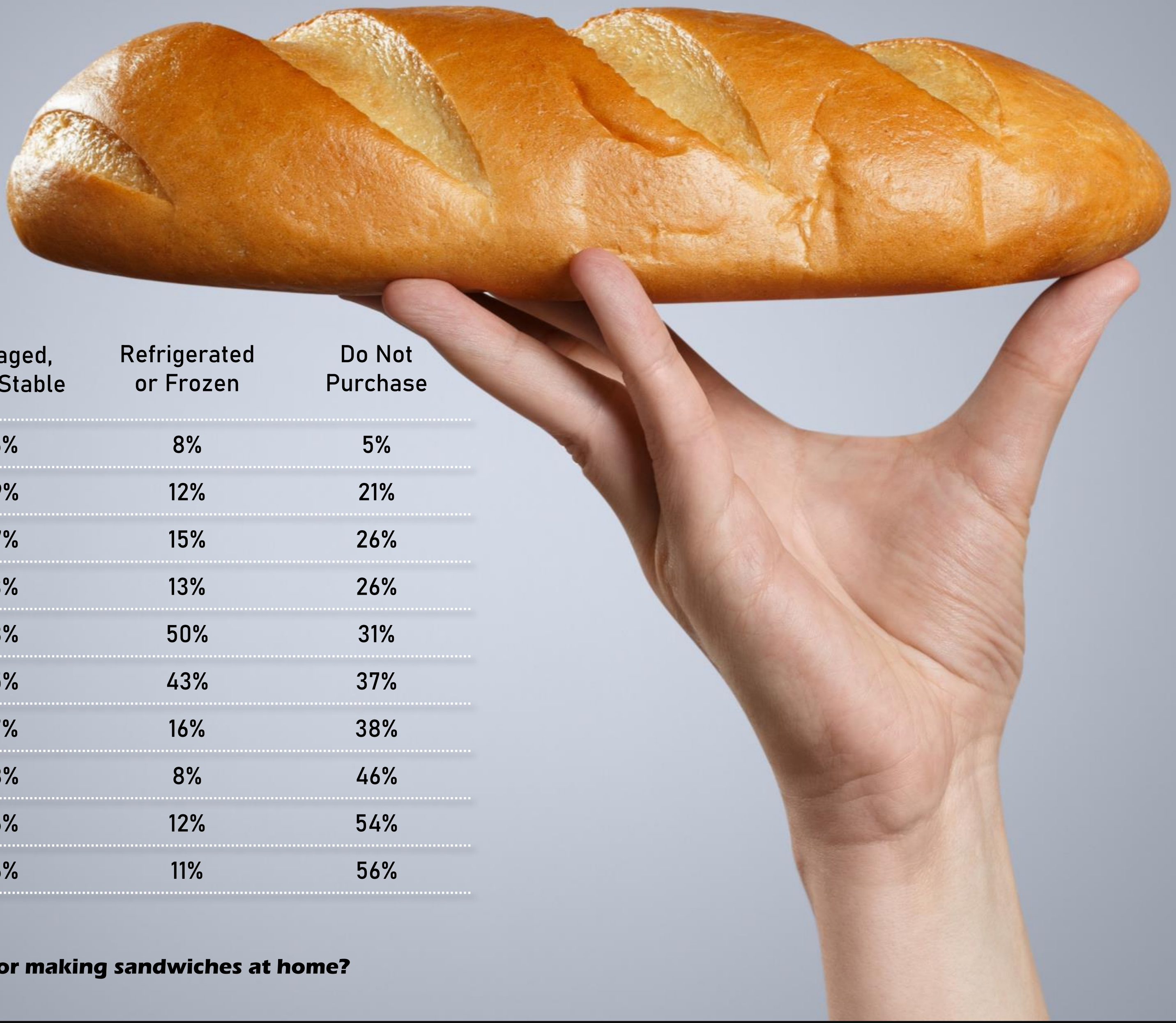


C1: Why do you choose sandwiches over other foods?

HOW CONSUMERS BUILD THEIR IDEAL SANDWICH

SANDWICH CARRIERS

Globally inspired breads and carriers still have room for growth, particularly in more shelf-stable or refrigerated CPG formats.



% of consumers who regularly purchase…	Fresh from a Bakery	Packaged, Shelf-Stable	Refrigerated or Frozen	Do Not Purchase
Sliced bread (i.e., white, wheat, rye, etc.)	26%	76%	8%	5%
Rolls (i.e., Kaiser roll, hoagie roll, etc.)	32%	49%	12%	21%
Bagels	26%	47%	15%	26%
Tortilla / Wrap	0%	63%	13%	26%
Garlic bread / Texas toast	0%	23%	50%	31%
Biscuits	0%	25%	43%	37%
Croissants	29%	27%	16%	38%
Artisan bread (i.e., focaccia, brioche, etc.)	26%	28%	8%	46%
Pita	0%	36%	12%	54%
Flatbread	0%	36%	11%	56%

B9: Which of the following breads / carriers do you regularly purchase for making sandwiches at home?

n=1,503

SANDWICHES

OPERATOR PERSPECTIVES

| varieties offered
| attribute importance
| operator needs

% of operators indicating something is "extremely important" or "very important"	TOTAL n=316	Restaurants n=155	Retail n=53	On-site n=108
Offering classic sandwich options	66%	65%	68%	66%
Minimum labor, quick preparation	65%	62%	81%	60%
Portability: ability to menu as grab-&-go or to-go	60%	48%	85%	65%
Driving traffic throughout the day	60%	63%	74%	49%
Differentiating your menu from your competitors	55%	65%	49%	43%
Offering customization	54%	58%	38%	56%
Compliance with nutrition guidelines	38%	27%	40%	53%
Making your operation a sandwich destination	35%	43%	28%	29%
Offering truly seasonal sandwiches	29%	28%	25%	33%

Retailers depend on sandwiches to make their foodservice models, built on speed and portability, work.

They also de-emphasize customization for the sake of throughput, but restaurants and on-site locations seem to value balancing customization with a focus on labor efficiency as well.

Operator A7: How important are sandwiches as they relate to your operational goals?

SANDWICHES

MENU DEEP DIVE

| top and trending sandwich components
| Menu Adoption Cycles
| menu penetration across the industry

Many of the most common sandwiches on menus showcase chicken.

Of these top sandwiches, fried chicken, grilled cheese, and BLT have had the most growth over the past four years.

SANDWICHES ranked by menu penetration

	QSR	FAST CASUAL	MIDSCALE	CASUAL	FINE DINE	ALL	1-YEAR GROWTH	4-YEAR GROWTH
Grilled Chicken	42.7%	39.3%	48.0%	42.3%	24.3%	42.2%	-2%	-4%
Chicken Breast	39.4%	34.5%	46.6%	41.7%	17.4%	40.0%	-2%	-4%
Club	37.4%	32.1%	42.5%	31.7%	21.6%	34.8%	-3%	-6%
Wrap	33.6%	41.3%	34.4%	29.0%	10.1%	31.0%	-3%	+1%
BLT	32.0%	22.6%	36.0%	23.0%	17.0%	27.6%	-	+5%
Grilled Cheese Sandwich	20.9%	25.0%	38.9%	25.9%	18.8%	26.6%	+3%	+8%
Meatball	40.9%	17.1%	28.2%	19.3%	6.0%	25.9%	-2%	-4%
Fried Chicken	17.4%	10.7%	27.4%	30.5%	16.5%	24.0%	+6%	+22%
Sub	32.4%	10.7%	20.2%	10.9%	2.3%	18.0%	-2%	-4%
Reuben	15.5%	11.1%	23.4%	19.5%	7.8%	17.8%	-3%	-5%
Melt	17.0%	19.0%	28.1%	14.5%	7.8%	17.8%	-	-6%
Turkey Sandwich	22.9%	22.2%	25.0%	10.6%	8.3%	17.5%	-5%	-15%
Chicken Salad	23.1%	25.0%	23.0%	11.1%	5.5%	17.4%	-3%	-8%
Steak Sandwich	17.3%	9.1%	20.1%	17.6%	16.5%	17.3%	+1%	-11%
Buffalo Chicken	22.4%	13.1%	15.7%	16.2%	1.4%	16.6%	-1%	+1%
Tuna Salad	23.4%	21.4%	24.7%	8.8%	3.2%	16.5%	-5%	-15%

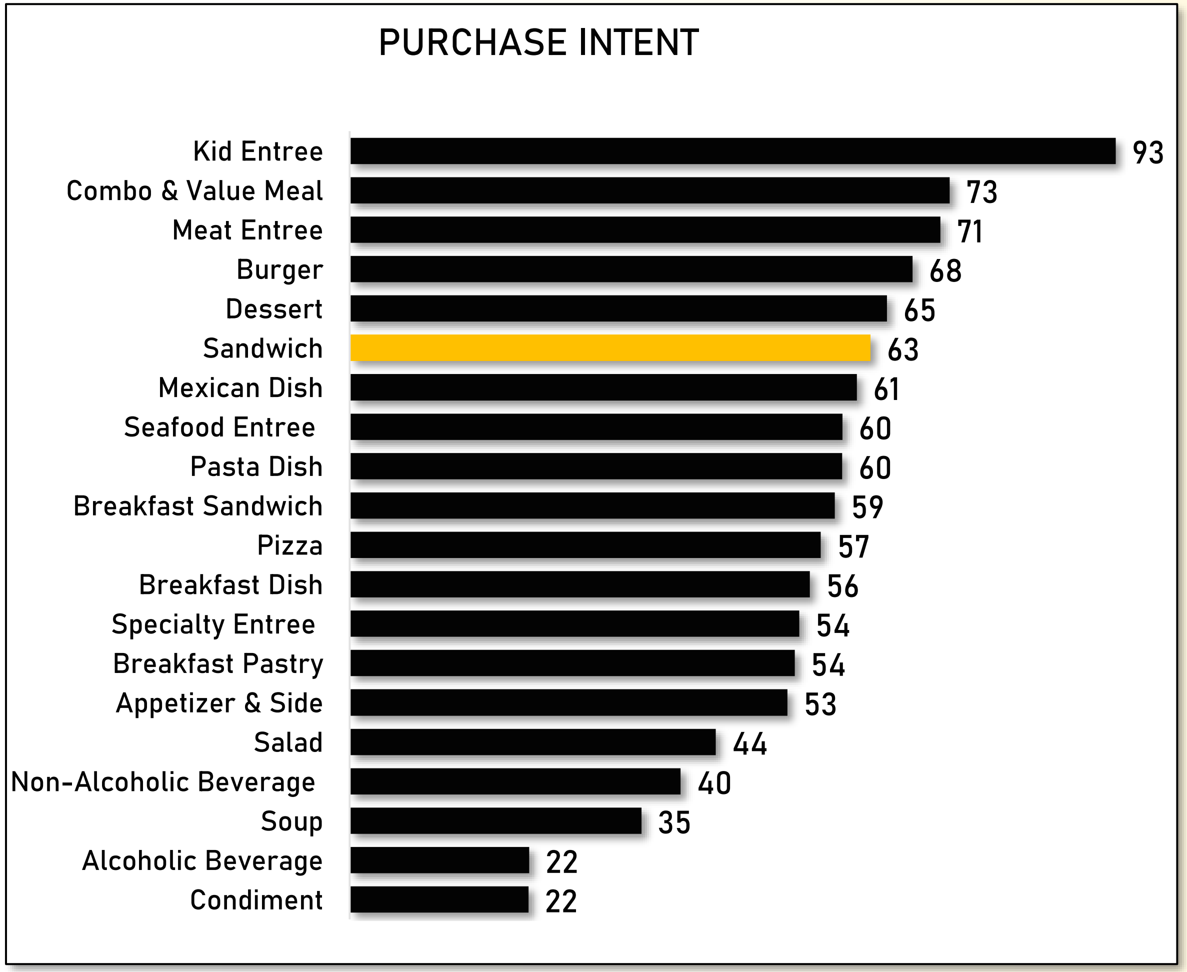
SANDWICHES

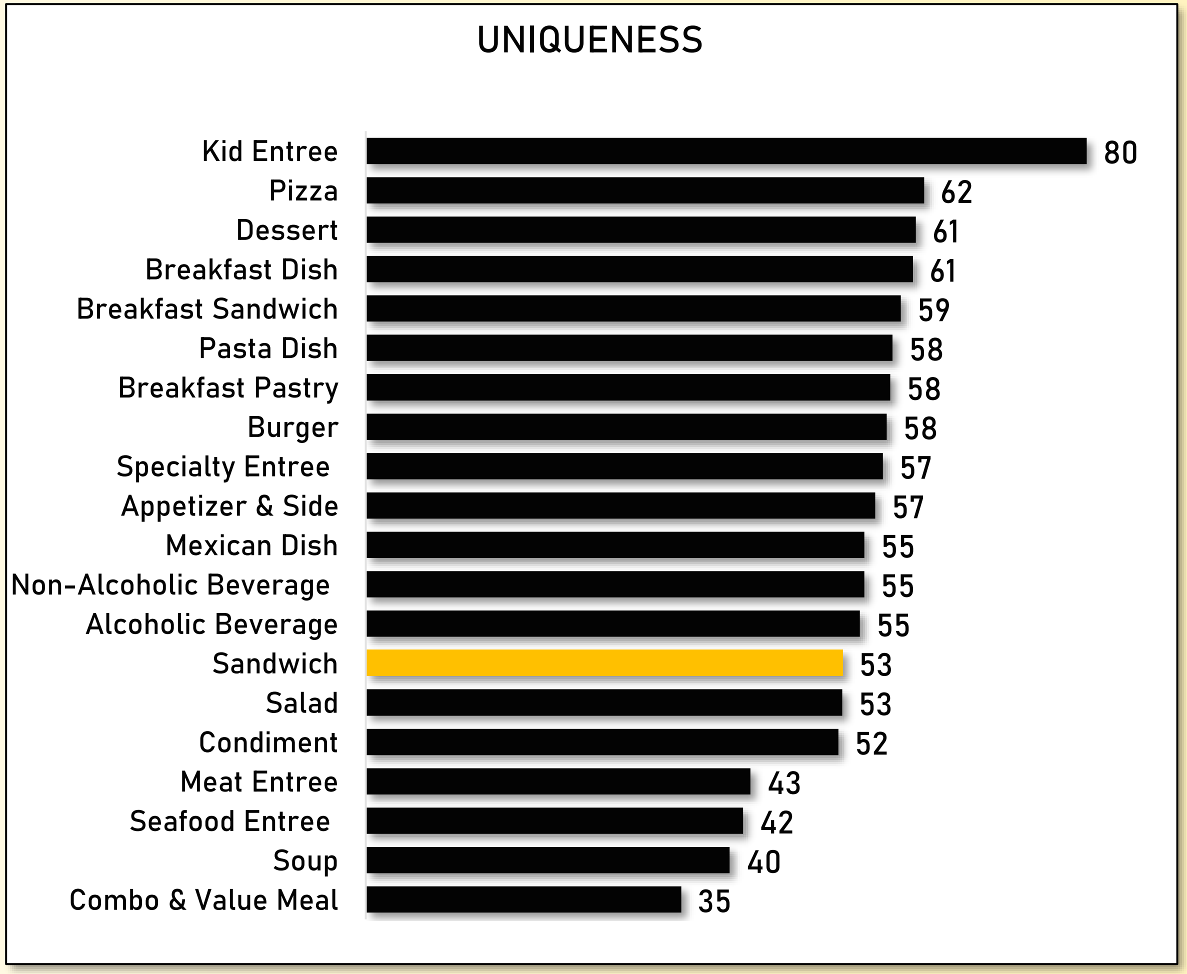
LTO STRATEGY REVIEW

Sandwiches are competitive for their purchase intent, but do not necessarily stand out as unique or innovative compared to other items.

TOP-RATED ITEMS

average consumer rating for chain intros, Jan 2016 – Nov 2020

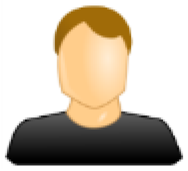




RESPONDENT PROFILE

1,503 consumers

Gender

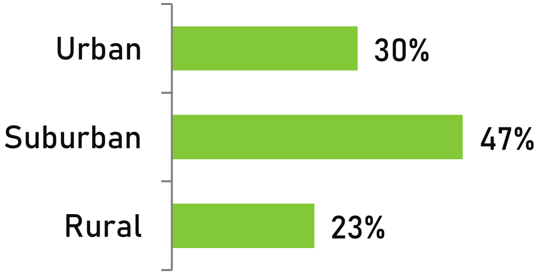



49% 51%

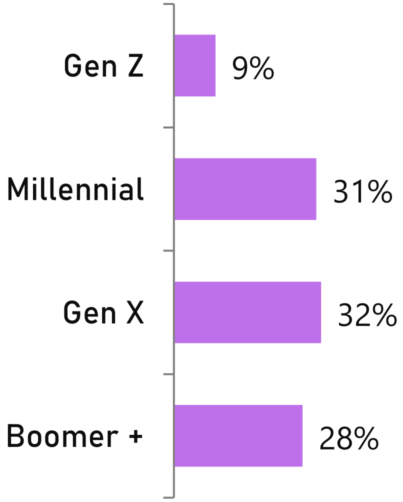
Ethnicity

White	73%
Black	13%
Hispanic	8%
Asian	4%
Other	2%

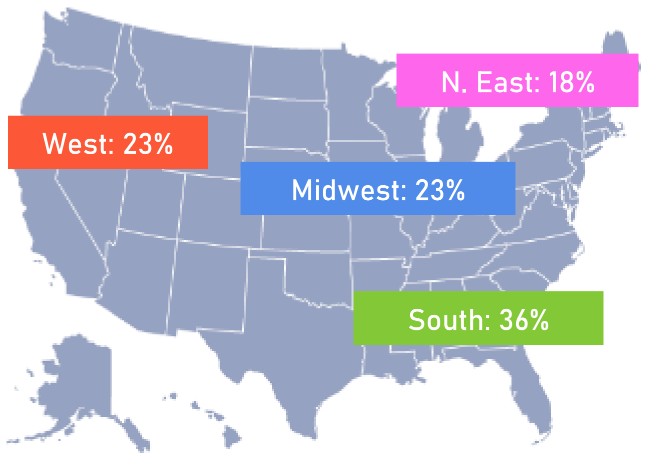
Area Type



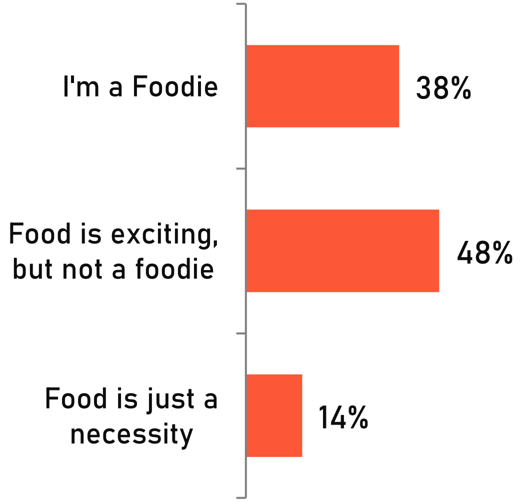
Age



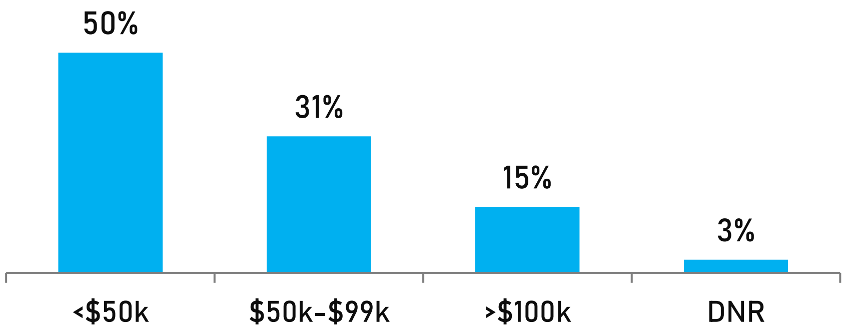
Region



Food Attitudes



Household Income



Children in Household

No children in household	24%
1 child	48%
2 or more children	28%

OPERATOR PROFILE

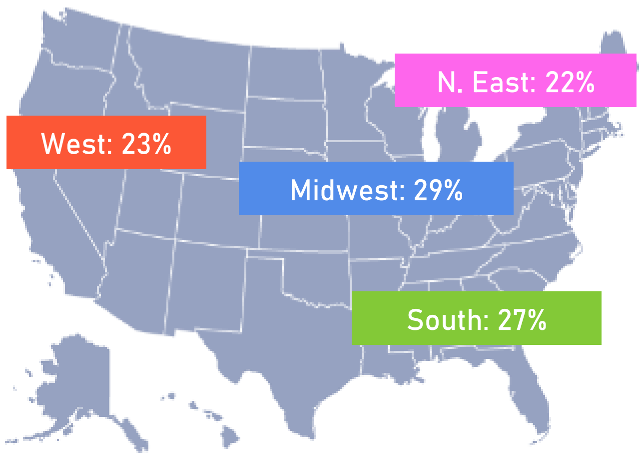
316 operators

Segment

49% Restaurant		34% On-Site		17% Retail	
QSR	7%	Corporate	7%	Supermarket	7%
Fast Casual	9%	C&U	7%	C-Store	9%
Midscale	13%	Healthcare	8%		
Casual	14%	K-12	6%		
Fine Dining	6%	Lodging	6%		

GPO Status

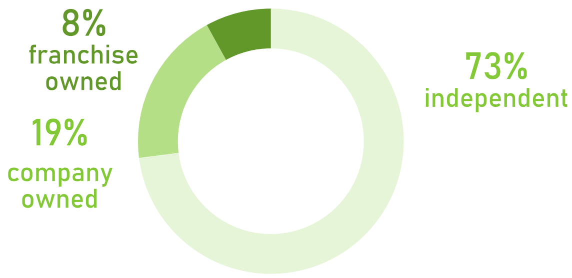
Region



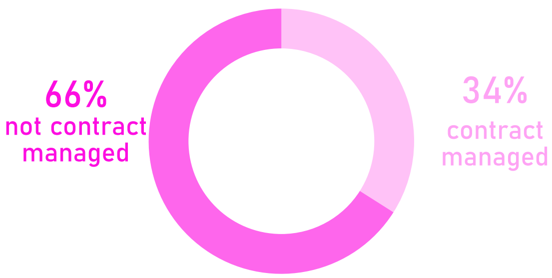
Distributor

Sysco	34%
U.S. Foods	22%
Gordon	7%
PFG	4%
Cash and Carry	4%
Other	29%

Restaurant Chain Affiliation



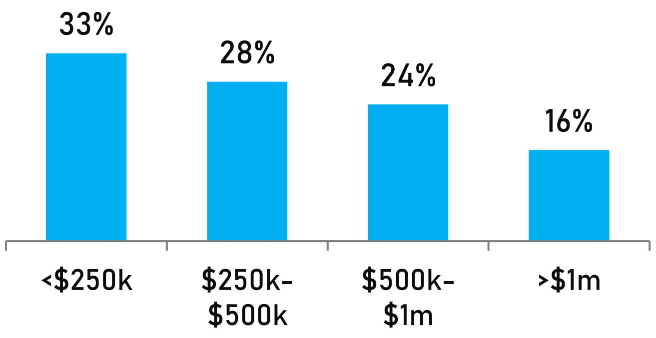
On-Site Contract MGMT



Job Title

Owner/Operator	27%
General Manager	21%
Manager	15%
F&B Director	12%
Exec. Chef/Chef	10%
Other	15%

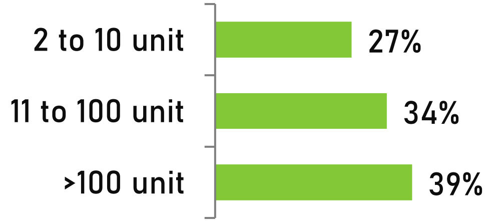
Annual F&B Purchasing



Culinary Skill Level

All/Almost All Scratch	9%
Majority Scratch	33%
Half Scratch/ Half Pre-Made	45%
All/Almost All Pre-Made	13%

Restaurant Chain Size



Contract MGRs Used

Sodexo	41%
Compass	30%
Aramark	24%
Other	5%

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