

The Influence of All Day Breakfast in Food Service

The Success of All Day Breakfast in 2015

McDonald's Big Win

Although several other major chains were already doing all-day breakfast, McDonald's launch in 2015 was a huge jumping off point for the concept



Seen in All Segments

McDonald's isn't the only one to benefit from breakfast all day. The majority of chains that offer all day breakfast experienced positive same-store sales in 2015

Source: McDonald's Annual Reports

Key Findings for Operators

1. Mealtimes are being replaced by “anytime”

Although the three primary mealtimes are still alive, today’s consumer is more focused on eating when they *want* to, rather than when they’re *supposed* to. On-demandability is a major shift in consumer behavior that’s effecting every industry – including foodservice.

2. Demand for breakfast is strong and will continue

Simply put, people just love breakfast! Which is part of the reason ADB has been a success. Along with it’s great flavors, it has a strong habitual loyalty that comes from being the first meal of every day. Consumers are finally treating breakfast as the most important meal of the day and expect operators to do the same.

3. Lunch and dinner fare is getting “breakfast-ized”

Breakfast is now so ubiquitous that its become more of a flavor than a daypart. Operators are capitalizing on the breakfast trends by “breakfast-izing” items from other dayparts. For those that can’t extend their breakfast menu later or don’t have a breakfast offering, this is a great way to bring “all day breakfast” to consumers

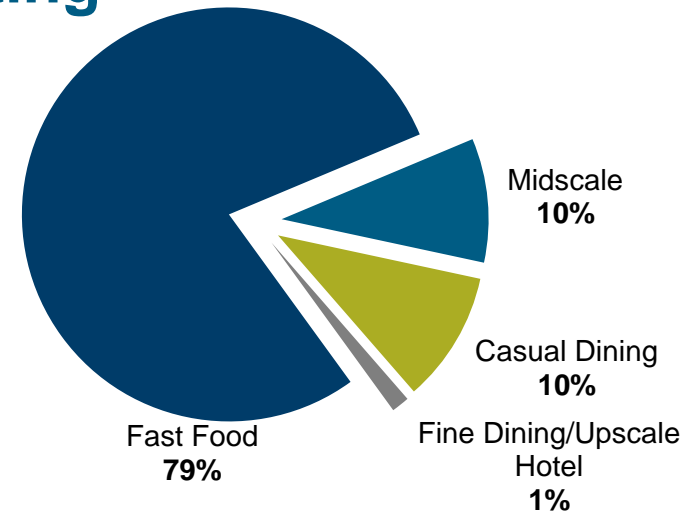
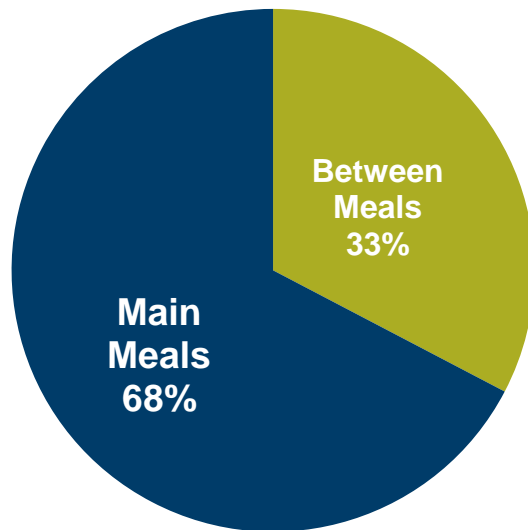
1. Mealtimes are being replaced by “anytime”

The “Anytime” Mealtime

At least 50% of Americans are eating between the 5:30 am and 9:30pm which proves viability of continuing to blend dayparts

On-Demand Eating

Between-meals snacking accounts for about a third of all eating occasions

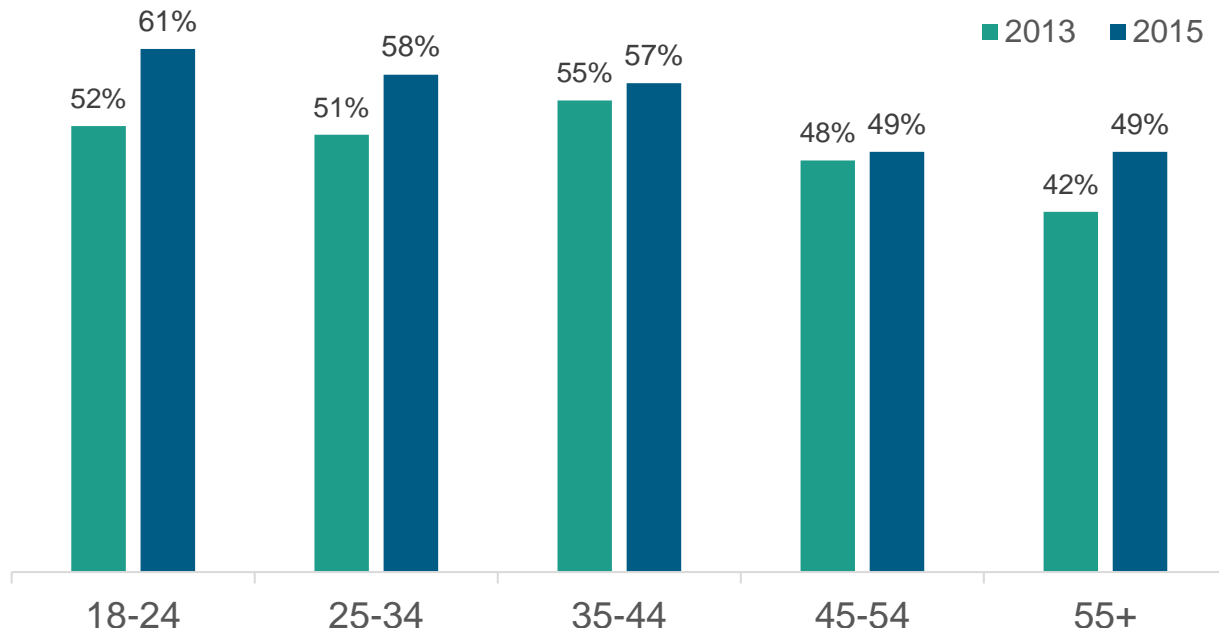


And whether they're eating at mealtime or as a snack, consumers most often seek a quick fix

Studies show that consumers are snacking often and choosing QSR most often for away from home eating selections. This shows that in today's culture, consumers' seek convenience, speed and on-demand ability.

2. Demand for breakfast is strong and will continue

“I enjoy eating breakfast at nontraditional times.”
Agree and agree completely



30%
wish restaurants served breakfast food for dinner.

35%
of consumer wish restaurants offered breakfast fare for lunch

Consumers strong love of breakfast foods which is part of the reason for the ADB success.

3. Lunch and dinner fare is getting “breakfast-ized”

Seeing AM in the PM



French toast, pancakes, waffles and potato dishes stand out as the leading breakfast fare at nontraditional hours (following eggs).

Breakfast with Burgers



Applebee's All-Day Brunch Burger



Brio Brunch Burger



Slaters 50/50 French Toast Benny Burger

Source: Technomic, Consumer Food Trends, Feb 2016

Future Possibilities

What
might
we
expect
to see
next?



Breakfast delivered

Breakfast is the only daypart that is typically not available for delivery. However, we know that convenience is a crucial choice differentiator when it comes to breakfast. This, combined with the growing power of food delivery apps, could be an opportunity for enterprising foodservice operators.



Breakfast Gets Global

Breakfast is an area that has not been strongly touched by ethnic trends which makes it ripe for innovation.

Meat, eggs and cheese might still be common, but the builds around them will get more creative to reflect global ethnic food trends popular in the United States.

Putting All Day Breakfast Into Action

KEY QUESTIONS TO ASK YOURSELF AFTER REVIEWING THESE INSIGHTS:

- How have you witnessed any of these trends influencing your business?
- What are your thoughts on incorporating either all-day breakfast or the flavors of all-day breakfast into your menu?
- What are other trends you're following most closely?