The Breakfast Crowd

Everyone wants to be on the winning team so it’s not surprising that interest remains high in the morning daypart. But beyond new chains entering the breakfast arena, there also are some interesting steps being taken by established players. Consider the following:

Daypart Blur

• McDonald’s oatmeal items, Cinnamon Melts, and Fruit ‘N Yogurt Parfaits are sold all day.
• The new McDonald’s baked goods in test at 600 Northeast stores are sold all day.
• Subway’s entire menu is available at breakfast time, which allows the capture of both breakfast and lunch dollars in one transaction.

Concept Evolution

• Panera Bread will add 80 new drive-thru operations in 2012.¹
• Seattle’s Best is testing a new drive-thru model offering baked goods, breakfast sandwiches, and turkey or ham on warm pretzel.
• “A few hundred” c-stores already have drive-thrus.²
• Denny’s, Friendly’s, and IHOP have all launched express versions for nontraditional locations.

DID YOU KNOW?

• According to a 2011 Datassentials research study, the percent of restaurants offering breakfast has increased across all segments over the last four years. And, how can you have breakfast without eggs?
• To help you keep up-to-date on all the latest egg information, American Egg Board has just published the fifth edition of its information-packed Eggcyclopedia. Everything you would ever need to know about eggs, from A-to-Z, is contained in this 88-page booklet. To request your complimentary copy of the Eggcyclopedia, contact the American Egg Board at aeb@aeb.org or at 847-296-7043; or, consult the website at: aeb.org/Foodservice.

Menu Maestros

Creating a menu item is like creating a piece of music - a wrong note can mean the difference between so-so and great. That’s why it’s so difficult to produce low-fat or low-sodium versions of old favorites. Everyone knows what they’re supposed to taste like, and if they’re wrong, you have unhappy customers.

If you’re looking at sodium, fat, or making a better-for-you item, don’t try to recreate favorites on your menu. Create new ones.

Weave savory flavors of herbs and spices into the eggs in a wrap when eliminating cheese. Or increase the tang of a sauce with citrus or vinegar when reducing sodium. Create new symphonies of flavor - provide your menu with a new song.

Egg Whites Are Golden

Recent research shows that 66% of consumers consider the healthfulness of the menu when choosing a breakfast restaurant³ and chains are scrambling to attract those diners. Some examples:

• Einstein Bros. Bagels’ “Smart Choices” items have less than 350 calories each, including breakfast egg white sandwiches in Southwest Turkey Sausage, and Asparagus, Mushroom & Swiss versions.
• Subway’s popular “Fresh Fit” meals now carry the American Heart Association’s Heart-Check symbol.
• Denny’s “Fit Fare” version of the Grand Slam Breakfast includes scrambled egg whites with fresh spinach and tomatoes, turkey bacon, English muffin, and seasonal fruit.
• Panera management says introducing an egg white sandwich helped increase breakfast sandwich sales 19% in the first quarter of 2012.⁴
Convenience stores (c-stores) are rapidly improving the quality of their morning meal offerings, which has made them a growing threat to QSR breakfast sales. But besides offering breakfast burritos, scrambled egg bowls, and even regional favorites like chipped beef with sausage gravy, many c-stores encourage diners to customize any item, which is a concept QSR chains should be watching.

**Customizing, c-store style:**

- **ampm** (1100+ locations)
  - 24-flavor Fountain Oasis, nacho bar, condiment bar
  - National ad support with tag line of “What will you create at ampm?”
  - Coffee and Beverage Bonus Card program.

- **Wawa** (590 locations)
  - Displays of fresh-cut fruit and veggies
  - Touch screen ordering to customize breakfast wraps/sandwiches
  - Successful proprietary coffee program.

- **Sheetz** (410 locations)
  - Breakfast sandwiches made-to-order
  - All items completely customizable via touch screen ordering
  - Made-to-order specialty and organic coffees.

- **Stripes** (540 locations)
  - Recipes adjusted for regional preferences
  - Breakfast tacos can be customized at a bar offering salsas, pico de gallo, jalapeños, onions, cilantro, and seasonal fruit

Who doesn’t like a meal made just for them?

The June 2012 issue of *Consumer Reports* details the organization’s findings in its quest to discover the best QSR egg sandwich. Visiting at least three locations per chain in the New York area, the group evaluated sandwiches from a handful of chains for the best of both taste and nutrition. The winning combination of the two factors was deemed to be found in Subway’s Egg White and Cheese on Mornin’ Flatbread.

**Data Digest**

- Morning daypart sales generate about $42 billion annually, which is 12% of total restaurant industry sales.(4)
- 68.8% of all QSR menus offer breakfast sandwiches.(5)
- 46% of consumers said they ate weekday breakfasts at QSR during 2011, which was an increase from 33% who said they did during 2009.(6)
- 41% of restaurant diners want more snack-sized breakfast items.(3)
- Penetration of breakfast burritos in all restaurants has increased 16.2% between 2007 and 2011.(5)
- 73% of those surveyed report an interest in savory breakfast items, versus 50% for sweet items.(3)