

## International and National Trends in the Market of Eating Out

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*Abstract: In our paper we examine the Western European and overseas trends of eating out by analyzing relevant secondary data.*

*Behind the increasing role of eating out we can notice several economic social and value changes. One of the stressed factors is time, which has even changed food consuming habits. It is true both in national and international relations that consumers tend to rely on the services of eating out increasingly to have more free time at their disposal. Consequently there is less and less time on food preparation and cooking so new eating trends are on their way.*

*We assume international trends are also reflected in the domestic market of eating out but in an altered form and their effect can be a bit delayed.*

*Like on the level of food consuming preferences, dissonant trends also appear in eating out habits and, as a result the market is being further polarized.*

*Keywords: eating out, leisure time, national trends, international trends*

### 1 Country Specifications of Eating Out

Eating out habits have country specific characters. While in the USA consumers require eating out services 50% during their everyday meals, the Germans use eating out services on every third occasion- according to the CREST survey. In Hungary even in 2007 it was not common practice to eat out but the change is positive: in 2005 the proportion of those who do not eat out in restaurants and

those who do not use the services of institutional catering at work or school was 45%-63%, respectively. By 2007 in the cases of both eating out alternatives the proportion decreased (GfK, 2005).

The market structure of eating out and the relative importance of the single alternatives also vary from country to country. Institutional catering in Germany was characterised by a growth of 0.3% in 2007 with stable number of guests and rising turnover (of 3.3%).<sup>1</sup>

Corporate hospitality is also significant in the British food service sector: 18% is the proportion of institutional/social catering of the total market of eating out. In Spain it is insignificant, only 6% is its estimated share together with fast food restaurants. Institutional catering also plays an important role in the Austrian market of eating out: regarding the number of meals it has a share of 33.4% that means 373 million meals per year so 1.36 million meals consumed on a daily basis (Food Service Europe Middle East Europe 2006).

In Switzerland specialists forecast chances of increasing both turnover and market share for take-away, fast casual catering and classical restaurants providing full service based on the present general conditions as well as the altered consumer habits. However, the general conditions affecting the Swiss sector showed an unfavourable change in the past years resulting in a continuous decrease in turnover for several years. Among the general directives on catering units some have been abolished including the one requiring a nationally accredited catering certificate to run a catering facility together with the regulation according to which the permission of the locals was necessary to open a new unit. The abolition of these market-regulating measures resulted in a “wave of opening new restaurants” (2817 new units were opened) and this generated a tighter competition at the same time. As a consequence, a lot of catering units (namely 2067) were forced to close (Hoffmann-Richter, 2006).

In the Mediterranean countries the role of units connected to fast casual catering is dominant (with a market share of 37%). In the German and Austrian market the market share of units in connection with fast casual catering is a lot lower (8-10%) but they are characterised by intensive growth: e.g. in Germany 2.6% more guests were received in 2007 and 6.9% higher turnover was realised in comparison with that of 2006. The same development is typical of the fast casual units in the French and Swiss markets. The classical restaurants and catering units providing full service are also characterised by intensive growth in the Swiss, German and Austrian markets- in Germany they showed a growth of more than 6%<sup>2</sup> (Food Service Europe Middle East Europe 2006).

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<sup>1</sup> [http://www.zmp.de/shop/mafo\\_inland/ausserhausmarkt\\_k692.asp](http://www.zmp.de/shop/mafo_inland/ausserhausmarkt_k692.asp)

<sup>2</sup> [www.hannover.ihk.de/xhandel/020604\\_10500\\_bh\\_ausserhaus.htm](http://www.hannover.ihk.de/xhandel/020604_10500_bh_ausserhaus.htm)

The reason for this is that passing one's leisure time and having meals are more and more interrelated and eating out means relaxation, passing free time, entertainment possibilities and experience for the guests (Hoffmann-Richter, 2006).

The pressure of time can be felt more and more on the process of eating. This induces the growing role of solutions adaptable to the needs of rapidity and mobility in the catering systems of eating out. In the USA and Switzerland take away service ensuring home delivery and taking away is the most dynamic branch of the catering market (Hoffmann-Richter, 2006). According to the results of a survey in Germany in 2006 the institutions guaranteeing delivery are also among the winners of last year<sup>3</sup>.

In Germany the turnover of fast food restaurants and "imbisses" offering quick solutions to appease hunger was also characterised by a positive tendency in 2007 resulting in 1.9% more guests and 3.5% higher turnover.

The appreciating concept of time can also be felt in Hungary and the importance of food delivery suited to mobility has been growing year by year. Netpincér launched in 1999 coordinating food delivery and comprising businesses also guaranteeing delivery doubled its turnover during the first three years of operation (A vendég, 2007).

In the USA fast food restaurants that developed the most dynamic way acquiring the biggest share have lost their importance nowadays and, at the same time, the market share of classical restaurant services has increased. The reason for the former great market share of fast food typical in the USA is that they stressed the importance of convenience, easy accessibility and quick service while formulating their offers. Previous research has shown that in many cases the consumers wishing to eat out sometimes need more time to get or travel to a restaurateur than preparing the food at home. So the objective when establishing new shops and units of channels in the 90's was to ensure such facilities of eating out for the consumers that are within easy reach and are the closest to their home or place of work or the store where they usually do their shopping. As a result, fast food restaurants were opened on every street corner to make it possible for the consumers to get there within the shortest time possible. The mushrooming of the new convenience channels raised demand for fast foods. Despite all this, the increase of the market share of fast food has stopped in the USA these days.

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<sup>3</sup> [www.hannover.ihk.de/xhandel/020604\\_10500\\_bh\\_ausserhaus.htm](http://www.hannover.ihk.de/xhandel/020604_10500_bh_ausserhaus.htm)

## 2 Trends in Eating Out

Trends and effects having an impact on gastronomy are a bit late in Hungary but their effects can be felt on our catering-hospitality culture, the market of eating out and institutional catering. According to several national and international research the trends affecting these days or will be affecting the next 5-10 years are the following.

### 2.1 National Cuisines and Globalisation

The European dominance of national cuisines in the hospitality industry is defined as a trend by certain experts. Based on the analysis of the offers of European restaurants, experts state that the Italian-Mediterranean, Asian and Mexican flavours show an expansion beyond national borders in Europe. The so-called flavour-pyramid underlines the conquering role of flavours not used or known in the given food culture. According to the results of the survey carried out in 150 German catering units in 2002 (public sector, catering unit, hotel) there is growing demand for Italian, Mediterranean, Asian, Thai as well as Mexican, Caribbean flavours and thus these national cuisines have become the decisive parts of global gastronomy (Food Service Europe Middle East Europe 2006). The role of Japanese cuisine has significantly been stressed by the research that pioneered in spreading small snack, the so-called finger foods more and more popular in Europe. It can be due to the growing health consciousness that in the system of eating out the other Asian cuisines are successful and popular besides the Japanese one as the main characteristic of their flavours, foods and preparations is the use of fresh and healthy ingredients and preparation without fat. In our country the gastronomy of national and ethnic cuisines is also getting more and more popular but their popularity is not so great as in Western Europe as the majority of the Hungarians (75%) do not try tasting the culinary specialities of international cuisines when visiting a restaurant.

Part of the consumers are open to the flavours of international cuisine but primarily Asian, Mediterranean and Latin cuisines are preferred. According to GfK Hungária market research Institute among the Hungarians Italian, Chinese and Greek cuisines are the most popular among the foods of international cuisines. Further favourites are the delicacies of Mexican, French and Indian cuisines. Part of the consumers thus show a special interest in such food that are regarded unusual giving a special experience of flavours and food consumption that is different from traditions (GfK, 2005).

### 2.2 Need for Regional Food - Regionality

Adapting to international trends the growing demand for regional food as a counter-reaction to globalisation has also appeared in Hungary.

Hungarian consumers require the domestic hospitality industry to follow the international lifestyle trends-even if with some delay: wellness, fitness, wider range of organic food together with the retention of typical Hungarian flavours. Based on a survey of Magyar Turizmus Zrt. 70% of the guests in Hungary are looking for Hungarian flavours and foreigners visiting our country would like to try at least once Hungarian food. National experts say that one of the most defining gastronomic trends in Hungarian hospitality of the following years will be growing demand for the products of local farmers and those prepared with seasonal ingredients (Hargitai, 2007).

In Italy the trend of “the foods of local cuisine” has also appeared. Typically a great emphasis is placed on the heritage of traditional foods and the priority of typical, local food can be traced down when compiling the menu (Food Service Europe & Middle East Europe 2006).

### **2.3 Changes in the Structure of Nutrition and the Number of Meals Per Day: the Dynamic Growth in Demand for „on the Go Food”**

One of the determining parts of nutrition structure is the daily habit of eating. Eating shows a tight correlation with lifestyle, social contacts and work in its daily, weekly or monthly patterns. After the turn of the century supplementary meals appearing besides the permanent ones gained greater and greater importance in the series of daily meals, whose dominance characterises the present day eating system more typically (GfK, 2007).

Traditional eating structures will be abolished and the number of occasional ones is growing. More typically, during the day instead of the complete, full lunch snacks are preferred to appease hunger. The number of catering units where guests can consume food while standing or walking in the street or take away the ordered food has been increasing. Even while seated during consumption quick service is preferred where they are able to consume the chosen food or drink within quarter of an hour (Teríték, 2002).

According to GfK Market research Institute (GfK, 2003), 31% of the Hungarian adults rather prefer eating occasionally not systematically and every second Hungarian has meals three times a day. The proportion of those having four or more meals per day is continuously growing (at present it is 37%), which can be explained by the growing number of snack consumption and meals between the main ones. This need is to be met by the so-called food courts with their choice besides the main meals. Several food courts operate in Milan, Zurich, in Britain, Ireland and the Netherlands. All of them are characterised by a special, unique offer as well as long opening hours, offering fresh and healthy food and drinks and quick service. The modern, up-to-date furnishings and the atmosphere evoking the Eastern world also depicts a unique offer together with an open restaurant

reminding us to the cosiness of home or the complex operated as a multi-functional entertainment facility (Food Service Trend, 2004).

The system of the daily main-and hot meals is under change. According to the Gfk report lunch is the one among the main meals that the majority would not skip although its importance has decreased a lot compared to 2005 to those preferring dinner. While in 2005 72% of the respondents had lunch and 28% regarded dinner as a main meal, this proportion in 2007 was 64% and 36%, respectively. In our country still 66% of the population have hot lunch every day but the proportion of those having hot dinner has also changed: compared to 27% in 2005 the proportion of those having hot dinner every day reached 31% in 2007 (GfK, 2007).

## 2.4 Health Consciousness-Looking for Safety

The points of health consciousness are appreciated when buying or consuming food. The lack of physical movement, lifestyle, stress, the pressure of time and the growing life expectancy have all led to the appreciation of healthcare considerations. Organic products preferable from health considerations are gaining more ground in eating out, as well.

The question of food safety has come to the foreground of interest worldwide. According to WHO estimates, illnesses that can be due to the food consumption are continuously rising all over the world (Szeitzné, 2004).

Due to food safety scandals the popularity of organic food has been growing very dynamically. The effect of this trend is also reflected in the system of eating out. Both in the system of traditional restaurants and institutional catering several advertisements and image campaigns promote food from organic ingredients in international markets. At present the proportion of organic food is very low, only 1% in the total food supply but its growth is expected.

Although the market of organic food is also little in international relations and can be only defined as a niche, their growth is guaranteed as consumers tend to be more and more critical to the origin of the product. The present-day consumer is looking for reliability and places emphasis on healthy eating. The use of organic food in food service is also rare in international markets but shown a constant and steady, intensive growth. The growing use of organic ingredients is rather typical in institutional catering than in traditional and fast food restaurants.

Based on the revision of research results on the consumption of healthy food and carried out between 1984 and 2004 at present the proportion of health conscious consumers can be estimated 25% from the adults living in the USA (Robin et al., 2004).

Based on the results of the National Restaurant Association of America (NRA) healthy nutrition is presently one of the ten most typical consumer trends. According to the most recent studies more and more American restaurants apply

successfully the inclusion of healthy and nutritive food in the menu. According to a survey examining eight restaurant businesses low fat content menus resulted in greater satisfaction for the American consumers than the traditional ones disregarding the type of restaurant, the frequency of eating out or the demographic features of the respondents. The role of organisations ensuring the possibilities of eating out is extremely important in educating food consumers to healthier nutrition. It is typically true for the USA where 46.6% of the total expenditure on food is spent on restaurants and 20% of the consumers' daily energy intake comes from the menus in fast food restaurants. Restaurateurs have realised the role of social responsibility and year by year they keep healthy menus in their offer in a greater proportion (Robin et al., 2004).

Institutional catering and within it school canteens receive the greatest attention of the systems of eating out in health education in several European countries (in the United Kingdom, Italy, France, Germany and Switzerland). The reason is that the operators would like to have fitness and health preserving effects prevail in food choice even at very young age. The notion of healthy nutrition can get closer to the new generation and the young if the young consumers can choose from menus of healthy maybe organic food at school canteens. Simultaneously, the members of this generation will become the young adults who are the most frequent users of eating out in Europe. Specialists hope that health conscious behaviour can be formed through school catering and last but not least the way to the future gourmets of eating out could be found.

## **2.5 The Widening Use of Organic Ingredients in Eating Out**

The shift in the attitudes of people has an effect on the content of offers in the Hungarian hospitality industry so preserving health; healthy lifestyle and the need for naturalness are becoming more and more important. The cult of health requires more and more ground both in the national and culinary world. The national fast foods were the first to have reacted to this shift the quickest possible way: they reformed their menus and extended the range of light foods to meet the needs of consumers who grouped together under the banner of health. The guests requiring safer and safer conditions would like to know what they eat so that is why they want well discernible flavours and separable food on their plates, which requires a new approach from restaurateurs in preparation and presentation.

In Hungary there are more and more people who do not only care what they eat at home but also what to order in a restaurant. That is why healthy food, trendy courses so low carbohydrate and fat content cannot be omitted from the menus of national food service. The demand for organic products in eating out is rather the question of purchasing power- specialists say.

Under the frame of a Swiss qualitative research it was examined what obstacles the introduction of organic products in the system of eating out has or what the

possible advantages can be. One of the groups was formed with the participation of 15 such leaders of institutions who do not keep organic products in their menu. The result of this focus group examination carried out by specialists highlighted the main hurdles of the introduction of organic products, i.e. the high expenditures of ingredients and the slight clientele demanding organic products. The introduction of organic products could have serious human political implications on the restaurateur as the widening of such a product portfolio would require the further training of the employees. Furthermore, logistic obstacles can also be raised as the separate handling of products must be ensured in the flow system of goods. The managers of institutions having organic products on their menu appeared as a contrast group during the examination who summarised the necessary conditions of introducing organic products as well as the advantages of diversification. In their opinion the creation of a new, modern supportive corporate philosophy and the inclusion of the necessary culinary management motivations in everyday operation are inevitable factors of the success of such novelty. The results of the survey also showed which institutions of eating out had the greatest chance and possibility to introduce organic products. The results revealed that cafeterias at work (canteens), catering units for children and commercial food service had the best systems of conditions pushing hotel chains, eateries under a franchise system, eating and travelling possibilities as well as take away services into the background (Hoffmann-Richter, 2006).

To sum it up, specialists can see some rays of hope to extend the range of foods from organic ingredients in the system of eating out. The main reason for this is that the healthy lifestyle trend will presumably have a long lasting effect on the institutions operating in eating out.

## **2.6 Fast Casual Hospitality– the Appearance of Symbolic Consumption in the Systems of Eating Out**

The society at present is characterised by strengthening of the symbolic meaning of consumption generated by the changing proportion of working hours-leisure time, social mobility and individualisation that has gathered pace. International specialists say that food consumers more and more tend to seek emotional experience in even consuming food so consequently, eating appears as an alternative of spending free time. Specialist literature terms this „*Erlebnisastronomie*“, „*fast casual*“, „*quick casual*“ service combination.

Besides the standard need for substantial food the need for cosy conditions and pleasurable pastime also appears so specialists think that eating out has to offer not only food but also lifestyle to the consumer.

„Quick casual“, „fast casual“ hybrid service is defined as the trend setter and motivator of the latest trend, which, in the coming 10-15 years is supposed to transform the market structure of eating out. In New Jersey in 2002 the results of a

survey comprising 700 households show that the possibility of pleasure was the third motivating factor besides quick service and offering delicious food in eating out (Hayden et al., 2007).

In the USA and Europe more and more restaurants introduce this service combination, in Switzerland and Germany it is seen as the most dynamic branch of the market of eating out. This service combines passing free time, pleasurable experiences and eating whose function is extended by the dimension of attitudes to life. On the basis of foreign research it is the „new generation” of town-and city-dwellers whose members are always on the move and in lack of time wanting to experience all levels of culinary pleasures that make up the segment for whom eating with friends and family members is a pleasant experience and a good pastime. (Food Service Europe, Middle East, 2006).

Fast casual is regarded to be the setter of the latest trend by international experts. This hybrid service is offered to consumers seeking the combination of passing free time, convenience and pleasurable experiences whose main features are fresh, quick and attractive supply of food and services. Freshness is basic requirement for food, quickness is attached to the time factor adapting to the consumer needs of scarce time. Attractive appearance is partly required from the surroundings and elements of the atmosphere on the one hand and the pleasant, aesthetic presentation of food means the requirement to please both eyes and mouth on the other hand. In this service food not only the simply satisfies the functional need but also its circumstances and conditions are attached to lifestyle dimension and symbolically expresses the lifestyle of the consumer.

### **Conclusions**

We think the changes visible alongside food preferences have an impact on the habits of eating out and the choice of the way and place of eating. The trends typical of Western European and overseas eating out also polarise and shape the market in our country. As we can see from the comparison of the results of international and national research several trends and tendencies generate changes but sometimes they have a common effect partly supplementing, partly overlapping one another on the market of eating out.

One of the main advantages of the systems of eating out is that due to its characteristics, it can react and adapt to the new consumer needs more flexibly than the traditional food trade. In our opinion the examination of topical trends and tendencies are indispensable to preserve this flexibility and, at the same time, can secure one of the competitive advantages of this sector.

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