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Head of franchising
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All aboard!

Deemed as the most stimulating foodservice sector to be in, casual dining restaurants are cruising a steady course. To find out more, *Tristan O'Hana* sat down with a few of the folk who are happy at the helm

It's a term that the hospitality world has naturally adopted - a branch of the eating out market that has so confidently overshadowed various food-led approaches, it's a wonder that the sector didn't segregate sooner than it did.

Casual dining, in all its glory, has stepped into the limelight and is happily sitting pretty. If forecasts are to be believed and if the high streets, suburbs and shopping malls around the UK continue to demand the expansive offering of casual dining operations popping up left, right and (shopping) centre, then the market is set to grow by the billions.

So what is it about the casual dining industry that is so appealing to the general public? If consumer spending and confidence is on the up, why are they drawn to a fairly priced pizza and a bottle of house red over a white table cloth treat and a pricey Pinot? We could speculate, certainly, but the fact is that the world of casual dining is populated with such an intrinsic level of creativity and concepts that the best people to

ask are the operators and business owners themselves. With that in mind, Casual Dining Magazine recently gathered a selection of leading lights from the industry in order to pick their brains on this alluring market. From sustainability and trends to the perfect product and city centres, here's what was said on the day:

Jake Bishop: I think the casual dining sector is a really exciting place to be. It's between the low end of the market and something where you part with a bit more money. The public are attracted these days by the fact we're dynamic and we offer decent quality. It's a double-edged sword as operators, as we're being crunched between price and quality - but it's fantastic for the customer.

The emotional experience is also brilliant for them. Casual diners are delivered an emotional journey through décor and the way the product is served.

Jamie Barber: People want more command over their own time. The sector gives them acceleration in terms of an experience. Most want to try something new, but they don't have a lot of time, so they want something that's trusted. It's easier to meet for lunch at Wahaca or Cabana or Five Guys, where you know what

"Casual diners are delivered an emotional journey through décor and the way the product is served"



Nick Jeffrey
Director
Tampopo Ltd



Nicola Knight
Director of services
Horizons



Shaun Alpine-Crabtree
Managing director
The Table



Sophie Fraser
Marketing manager
Feng Sushi



Thom Elliot
Founder
Pizza Pilgrims



James Elliot
Founder
Pizza Pilgrims



Jamie Barber
Founder
Cabana



Joel Falconer
Development director
Busaba Eathai



Marcel Khan
Operations director
Five Guys



Michael Franks
National account manager
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you're going to get. The acceleration is what gives you the edge.
James Elliot: It's even more casual for us. We're looking at it from the street food angle, where you pick one thing and do it really well. It's a case of doing one thing in this one place and doing it brilliantly.
Bishop: That approach spawned the whole street food market - the street food and pop-ups and hatch food have a big future in casual dining, as people get what they want right then and there. I think pop-ups will continue to grow. If you've got one product and can deliver it really well, they're excellent for that. It's tugging on the emotional strings of buying that experience. Operators are so dynamic at what they do these days - look at Byron and Scott Collins' MEATliquor, they're blowing stuff out of the water with how dynamic they are. It's the fun and the product that entices.
JE: Also, due to social media, people are walking into a place knowing a lot more about the business before they even start eating. There's a whole story behind somewhere before you've even taken a mouthful.
Barber: Part of our mission statement is to transport people outside of the UK when they come in, even if it's just for an hour. The menu needs to make them feel emotionally detached from where they are.
Sophie Fraser: Consumers are looking for depth in brands these days - not just going out and eating. We receive huge loyalty through our sustainability credentials and we're looking to take customers out to our suppliers and do competitions around that. It's about buying into a brand, value and opinion. Good hospitality businesses out there are good for a reason and consumers appreciate that.

Handley Amos: There's a lot of innovation coming from street food at the moment as well. It's a cheap way of testing a product, developing it and understanding how a customer uses it before opening a first site. Street food is keeping things moving and keeping people on their toes. It can be used as a testing ground before being used in a restaurant.

Nicola Knight: When it comes to the definition of casual dining, we've tried to pin it down in order to track the trends and data. It's a popular eating out market with a spend between £10 and £20. Using that definition, we've measured the market and it's definitely in growth. It's the fastest growing area in the eating out market.

Marcel Khan: It's true that the street food guys seem to be best in class coming through. You eat in Westfield and they have the best products for the best foods there - even if they don't break through to multiple sites, they have an impact on where the bar sits for the people that do. Go to Orange Buffalo Wings and the guy who owns it is there every time. He gives a sh*t, this is his life and that can be the difference. Anyone coming into the market has to measure up to that.

Barber: So, in fashion you start with haute couture and then all of the high street labels go down from there. But in this market, it comes from the bottom and works its way up?

Shaun Alpine-Crabtree: Well, an interesting example of that is the burger, isn't it? The transformation over the last three or four years is extraordinary. You no longer recognise rubbish meat in a cheap white bun. The bar is constantly raised by these people pushing small concepts. It's a wonderful way to test what you're doing and it's spreading into all sectors.

Dominic Brown: What's changed is that people have learned how to tell that story of the great product. At farmers' markets before street food, people weren't telling that story and sharing that product properly. People have now got better at that and buying into the idea of what they're doing. Operators need to be careful not to get too good at the story and neglecting the product - that'll be an interesting switch in the market if it happens too much.

MK: I remember 10 years ago, everyone debated whether a brand was a good or bad word. Street food has helped people forget about the brand, about the package, and for me that's a good thing for the whole market.

Barber: If you visit Pizza Pilgrims, MEATliquor, etc., you are buying into the alternative, grungy way of eating out. It's not just a product, it's a lifestyle thing as well. I think. ☒

WHO WAS THERE ON THE DAY

- Aziz Rahman**
Head of franchising at Wrap it Up
- Nick Jeffrey**
Director of Tampopo Ltd
- Dominic Brown**
PR and marketing at Rossopomodoro
- Nicola Knight**
Director of services at Horizons
- Michael Franks**
National account manager at Aviko
- Thom Elliot**
Founder of Pizza Pilgrims
- Marcel Khan**
Operations director at Five Guys
- Sophie Fraser**
Marketing manager at Feng Sushi
- Joel Falconer**
Development director at Busaba Eathai
- Shaun Alpine-Crabtree**
Managing director of The Table
- Jamie Barber**
Founder of Cabana
- Handley Amos**
Managing director of Rossopomodoro
- Helen Hyde**
Channel marketing at Aviko
- Jake Bishop**
Operations director at Loungers
- James Elliot**
Founder of Pizza Pilgrims



Rosanna Spence
Features editor
Casual Dining Magazine



Tristan O'Hana
Group editor
Casual Dining Magazine



The group take in a point from Rossopomodoro's Handley Amos

JE: It's true, we are very alternative - I'm wearing double denim right now. But, seriously, all around that style of street food is Twitter, and social media is very exposing, if you're not good at it...

Thom Elliot: You'll fall flat on your face.

Bishop: Great food has been around for a long time, but social media has allowed for a product to be global.

Barber: And the people doing it are a lot younger now. In the old days, you'd go to a farmers' market to eat sausages from a sweaty butcher - now it's young 20-30 year olds trying to do this. They've changed the food - I don't think food has ever been this sexy.

Joel Falconer: To pick up on Jamie's example, there's now a certain element of disposable income because of the casual dining price point. The £45 lunch doesn't happen much anymore. The confluence of the style, product, etc., has helped in the dining out market. The people are impressed with the quality and the price point.

"The younger generation eats out a lot more frequently than the older generation, so we've got a new generation who are used to eating out a lot more"

Great quality and a decent price point could fuel most markets around the world. Whether customers are treating themselves by dining in a restaurant or splashing out on a new pair of shoes, the combinational draw of value for money and a satisfying product can keep markets confidently buoyant. With this in mind, can the casual dining sector realistically be deemed the saviour of the high street?

JF: When you look at the way large scale developments like shopping malls start off saying they'll have 15% food and beverage outlets, but end up having 25-30%, it's quite telling. Whether it's the saviour, it's not entirely clear, as there's a point where you can't support any more restaurants. There comes a point when the high street can't sustain any more operations and the natural selection process will happen eventually. It can't become the 'eating out street'.

Nick Jeffrey: I do agree that there's a correction process - there's an ongoing growth in the demand for eating out that has been well documented in terms of disposable income. But the low barriers to entry can mean there's an over supply situation. It's quite lumpy in that respect and then it's overlaid with the economic side too, which forces weaker operators out at that point.

JF: The street food thing has already pointed that out. If you do the best chicken wings, and serve it at a good price point, the single product focus highlights the crap stuff out there.

NJ: There's another angle to it, which is that of the posh burger market. They've pushed up the bar. But it has been forgotten that there has been years of growth in that market, started by GBK, followed by Ultimate Burger. Other players like Gondola and Byron, who came four or five years later, predate the likes of MEATliquor, etc. People can lose sight of that.

MK: Upper Street (Islington) is really interesting. It's better than it has ever been. Not just branded environments, but the independents too. The experience of one street becomes better with the combination of sites.

Barber: Supper Street, they're calling it now. It's now one of the top streets in the UK.

Aziz Rahman: Maybe that's because all the outlets there have adapted? Casual dining has adapted better than most and look at the technology out there helping towards it. The speed and efficiency of service has benefited for it. The sector lends well to people wanting a faster service - their lifestyles are changing and they're pushed for time, so the fact you can get experience and quality quickly is essential.

People are well informed now - there is so much information everywhere that can impact on your business, so I think speed is important. The older brands that didn't evolve and adapt are falling to the wayside and that's giving the young and fresh brands opportunity.

MK: I don't agree on the speed thing - you can compete on speed, but for us it's the wrong thing to compete on. It has to be focused on the product and experience and then people will wait. Quick food defies conventional wisdom in how long it takes to create the perfect product and I think brands have to be strong in that way. ▶



Five Guys' Marcel Khan and Cabana's Jamie Barber convene over coffee



The Casual Dining Magazine forum

"The story is very important and it can take over the quality of the product. The power of the mind over the palate is considerable"

HA: People understand and know how long it's going to take before they go into a restaurant. If you're not going into a branded outlet, you're not as sure. As long as you're consistent in your timeframe, they know whether they can eat there with the time they have to dine.

JF: You have to be confident that you're doing the right thing and plug away at it - in that respect, trend analysis and adapting is potentially a false errand. You can find yourself chasing your tail and wanting to know what everyone else is doing - you need to know and be clear on what you're doing. You have to have conviction in doing something that is good enough and predicting the market can very quickly lead to you losing yourself and your vision.

SAC: Small operators are doing things from the heart - this idea of following what you do well from a smaller operator perspective is about self confidence. Do your research of your market and bring part of your soul to that business. I drive value the whole time and you have to be about that every single day. It ties all of these things together - service, speed, product - as long as it represents value to the customer, that's what they're happy with. Give the wow factor through value for money. We've had a massive brunch business for a couple of years and have recently launched a menu dedicated to that and it has been massive.

NK: Our Menurama report, where we collect menus from 115 top high street brands, has looked at pubs and restaurants. The price of an average meal in a pub has gone up and restaurants come down, so there's been a narrowing of the gap there. With the food offering in pubs improving, they're being confident enough to raise their prices.

DB: All we're doing is evolving into what is already on the streets in Barcelona. You no longer go for a drink or a meal, you go out for the evening, eating smaller portions, lots of dishes and drinking at the same time. That's where I think we're going as a country and consequently catching up with the rest of the continent.

NK: Our data would agree with that and that's why the term 'casual dining' has become more appropriate. You're out in a casual way.

Bishop: Customers come to us for everything - our biggest frustration as a company is that we've got no idea what our customers' average spend is! There's coffee, a snack, peanuts, then a six person meal with dinner and champagne. They really do come in for everything and it suits most walks of life and demographics.

It's fairly commonplace to read how contemporary customers are curious as to where the food they're eating has come from. Traceability, sustainability, green credentials and the like are having greater influence on many people's purchasing decisions. With myriad cultures and cuisines decorating the high streets of the country, how are operators approaching sustainability throughout their sites? What's more, does it then have a knock-on effect on menu price points?

SAC: With sustainability, whether our customers can tell the difference or not is up for grabs. Personally, I think they can't. Some things, like steak, it may be the case that they can. For us, it's about looking for the best ingredients and selling them at the lowest price possible. I encourage my kitchen team to do as many things as they can with ingredients we have. It's all about this idea of value.

SF: At Feng Sushi, our fish is sustainability sourced, but our suppliers have increased their prices, so our Salmon Sashimi is now £7.75 and our competitors are able to sell it cheaper. I don't



Rossopomodoro's Dominic Brown wades into the debate

think customers could tell the difference if they tried both.

SAC: Do the customers care? Do they care about the effort? The Greenpeace contribution? No, they don't give a toss.

SF: Some do and some don't. Some stick with us because of our sustainability ethos - but it's a tough balance to achieve. We aim to be strategic in the promotions - we do two big offers a week in order to lower our prices, but we maintain the fact we're good value if it's not through the promotion approach.

TE: It's not about the consumer thinking this cheese is better than that cheese - it's mostly us being able to stand in front of anyone and tell them that it's the best we can source. We can stand up and say, 'This is the best we can possibly have done.'

Barber: Sustainability has been played out through coffee in the States for an age. Howard Schultz pushed his Starbucks \$4 coffee for years. McDonald's counteracted by saying you'd be a fool for paying \$4, but the consumers bought into the concept of Starbucks and they were willing to pay the price.

DB: It's aspirational in that way. People want to be that person holding that cup - the product becomes secondary, which is depressing, but that's how it can be.

HA: Customers build up a trust in a brand. They trust it, whether it's speed of service or the sourcing of the product, you build it up. To break that eventually down the line is a brave thing to do - if you build it and that's important, then you've got to try and keep that.

DB: James and Thom on Twitter are great and they can expose people online very quickly if they're not delivering what they say they are.

JE: We've had some great back and forths, like us and PizzaExpress sending pizzas to each other - that exposure is great. Twitter is not a place for negativity for brands though.

TE: It's about using Twitter to expose elements of running a business. Our most retweeted tweet is about running out of petrol on the A40

- not bragging about a great pizza we've made.

DB: It never pays to be negative publicly. That's why nothing is being done about people who don't use the correct authentic ingredients, etc. For brands who are, it won't benefit them exposing the people who only have good marketing to rely on.

NK: Over the course of the recession, the frequency of eating out has dipped, as has penetration - the proportion of people eating out. But the good thing is that average spend has gone up. Eating patterns have changed, which is a real benefit to the sector.

Those who would have a quick snack - that has dropped, but special occasion eating out has risen. When they're out, they spend more money. That backs up sticking to principles. People are far more discerning and that's not just in London, that's across the country.

The younger generation eats out a lot more frequently than the older generation, so we've got a new generation who are used to eating out a lot more - that's got to be good for the industry. Words like 'sustainable' and 'five-a-day' are starting to pick up again, after dipping over the years.

NJ: I find provenance fascinating, but when you look at the data out there, it tends to be that the stuff that's built around integrity matters much less than service, quality and environment. They're hugely more important than getting potatoes from the farmer down the road. There's no harm in doing it if it fits well with what you do, like Bill's for example. But you shouldn't build a brand around it.

Barber: Everything's from somewhere. Any potato is from a farm, which isn't an interesting story really. 🍷

"Our most retweeted tweet is about running out of petrol on the A40 - not bragging about a great pizza we've made"

Michael Franks: So, is it important that the product is British, or does it not matter?

JF: As one of the Asian operators here, one of the examples I could use is our curry paste. Our factories outside Bangkok make our curry paste - with the volume and quality we need, we couldn't get it anywhere inside of Europe. We could not get that volume to create something that good anywhere in Europe at a price that we need to make a decent margin on.

Barber: I asked Angela Hartnett many years ago when she was talking about organic produce, etc., 'What would you rather buy, an organic tomato from Italy or an English tomato that wasn't organic?' It completely stumped her! How are you supposed to make that choice? You've got to make that judgement.

DB: That's exactly the point. A tomato could be British, but how is it produced?

Barber: Cruelly?

SAC: Battery farming with chickens, as a result of public opinion, is moving towards free range across the whole of Europe. It is now a moral choice to run your restaurant around that area.

To go back to the potato issue here, we do shout about our Carroll's Heritage Potatoes, who has now gone into the supermarkets. It's a small British producer who is introducing old varieties. For my brand, that has worked, it has created something to talk about.

Helen Hyde: Is the variety important then?

SAC: The fact of the matter is that she has the varieties that work very well for me. I come at everything asking, 'Is it delicious and can I sell it cheaply?'

Barber: The scalability factor is important here - if your ambition lies with a small number of units, it's easy to buy into that. If your ambition is to get to 100-150 units, it's a different story. Handley and Marcel are the best guys to ask about this, as they have both come from a Nando's environment.

HA: Many suppliers came along with the growth of Nando's, but the conscious choice was always how to deliver a great product at a good price and not to over promise on something that you may not be able to deliver 400 restaurants down the line. It throws up a lot of questions that are hard to answer.

MK: Just get the best product - I'm a complete potato nerd and we talk about them until we know we can get to the best French fry. It's at the pinnacle of our decision making.

HA: You make a decision early on about the route you're going down. We bring everything in from Naples - we fly in cheese three times a week. Sustainability wasn't at the start of it.

DB: The irony being that our tomatoes are very sustainable. We work with small tomato producers - they produce just for us. I used to live in the States and would get my chickens from a farm. I asked if everything was organic one day and the guy said, 'No. Why should I pay the government in order to get a stamp?' I could see the chickens were strolling around, he gets his feed from next door. He didn't need a label.

Perhaps the importance of sustainability credentials varies from city to city? Whether expanding out of a launch location or setting up shop in a first city of choice, operators have a world of considerations to allow for when entering a new market... don't they?

"Words like 'sustainable' and 'five-a-day' are starting to pick up again, after dipping over the years"



"We sell burgers and fries, and people like burgers and fries" - Marcel Khan

MK: We don't get that sophisticated about our market choice - we sell burgers and fries, and people like burgers and fries. It sounds flippant, but that's it. We kicked off in London, but we've got five restaurants now and three of them are outside of London.

Bishop: We started off out of town and there's low rent with those sites, which you don't get in London. If we nail what we're doing correctly, there's no need to go into London. We've got a list with 350 sites on it where we can go to a location and breathe the air and say 'yes' or 'no'. We've got 15 more to come this year.

MK: London's losing its throne. Most of the Liverpool operators operating in ONE are running the number one site in their estate in Liverpool. The perception is changing towards London.

Bishop: The whole of Britain is crying out for the casual dining experience, not just the cities. Some of the sites we've opened in towns, it's like a UFO has landed - people just stare at it for minutes. There's a massive market for people wanting and craving an experience - the casual dining sector is that.

MK: Look at Red's True BBQ as an example. Whether it comes to London or not, it doesn't matter - it's always going to find a great audience.

TE: We're happy with where we are now. We're still learning - every day is a school day at the moment. When we stop learning every day, then we'll see.

NJ: It seems to be that once brands are established within central London that the role out plan seems almost exclusively around purpose built developments. They're looking at Trinity Leeds, Liverpool ONE, rather than the town centre like PizzaExpress did.

AR: London has its own ecosystem in many ways. Manchester and Liverpool, Cardiff as well - they are good cities where people love the engagement and theatre of these concepts. We get a lot of interest from these cities and we're looking at all the options there, but it is a bit of punt sometimes.

NJ: I agree. We started out in Manchester and grew out of there



before eventually coming to London. Pho is great example of where they have established their five or six units in London and the south east and next up is Trinity Leeds, not the high street.

NK: We've heard that many operators are actively courted by these new developments. Trinity Leeds approached a number of operators to try to draw them in, which is quite interesting. With that, we've found that the quality of the food offer has an impact on the amount of spend within a shopping mall.

MK: I think a lot of the big landlords want you to prove yourself within the market. We're hoping to grow and we're hoping for a national presence here in the UK. If you look at Bill's, Côte, Byron, they're looking at high street leisure and retail and making really smart decisions.

Barber: Everything is about return on capital. You have to make a case around that - if you get a decent return in Leeds, Manchester, Liverpool, that's what it's about when expanding, is it not?

HA: You've got to be ready. Trinity spoke to us about going to Leeds, but it's just too early. We're building a structure that will allow us to move outside of London, but when they spoke to us we weren't at that stage yet. I think it happens - London brands are courted to move up, which is probably why the first moves end up in a shopping centre.

NJ: It's a great strategy, as you're then exposed to that huge amount of people. You're getting something like 48m visitors a year in Manchester's Trafford Centre. It's massive exposure.

JE: With Leeds Trinity, there are so many students around there who have all come from the south east of England, so they already have brand recognition when they go up there.

As the casual dining market expands, are so too the offerings? No more than a decade ago, the lunch rush and evening diners knew exactly where to aim for when grabbing a quick bite or settling

down for the evening. Now, as leisurely lunches continue to fade away and evening eating out hours increase, what does the sector have to do in order to adapt to modern demand? Is it faster service during the day? A varied drinks offering come the evening? And what about those consumers looking for free-from foods?

NJ: For cities, it used to be a quick PizzaExpress lunch or a crap sandwich from somewhere. Has the rise in this sector prompted us as operators to have a rethink on how the lunch market within casual dining works?

HA: Speed over lunchtime and what we offer is tailored to a product and a drink and moving them through as fast as you can. If you've got a short lunch break, you've got to have a lot of confidence in an outlet knowing that you can sit down and eat within that time. You can't offer different products over a lunchtime, as it can confuse what it is you do. But you can narrow down the menu to make sure you can deliver in a short time frame.

NK: Wahaca have launched a diffusion brand, which is looking at that very issue. Giraffe are doing it too with Giraffe Stop and Giraffe Kiosk. They're saying they're going to extend those smaller sites.

AR: It's interesting - we've got a seated format and a kiosk format. It's a case of preference really. People see the food being served in front of them, which they enjoy, but I also think if they see a kiosk they for some reason think they're going to be served more quickly. That's why you're seeing those spin-offs.

Bishop: Wagamama became the kings of it, as you could come in knowing you could be in and out in 11 minutes, or you could stay there for an hour. When looking at allergens and free-from menu options, we know that it's an administrative job that we've got to get on with. Vegans have come in, gluten-free has exploded - you work out what you can work with and get along with. We plan to bounce a lot of it off onto our suppliers - they'll be able to do a lot of it at source, then we'll train on it and communicate down. It's coming, so we're just going to get on with it.

MF: I'm really surprised that many don't push it all back onto suppliers. As a supplier, there are some customers that demand everything from us - a breakdown of ingredients and a guarantee that a product is gluten-free. Just get the supplier to guarantee it.

DB: We've just launched a gluten-free menu, although we've gone for the No Gluten Containing Ingredients (NGCI) approach. The simple reason is that it's not legally enforceable. We're producing a gluten-free product, but we're not going to guarantee that it has been produced, effectively, under laboratory conditions. We're being honest and it's gone down very well. It has been suggested that if someone has a friend or family member who does suffer from a wheat intolerance, they'll determine where the group goes to eat.

Bishop: If anyone's thinking about doing a gluten-free menu, it's worth knowing that we tried a 'low gluten' approach, which sent out a confusing message. So we now do a gluten-free menu and it has been phenomenal and is growing day by day.

JE: It's hard with pizza, as gluten is core to the whole thing. So we don't have the free-from pizza, but we have the free-from option. It comes back to being the best at what you do - you can't be everything to everyone.

Casual Dining Magazine would like to thank our forum sponsors Aviko, as well as all of our attendees for their insightful contributions on the day. ☺

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