

## Study unveils the rise of marketplace fast-casual

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A new report from **Y-Pulse**, Chicago, explores the emergence of a new segment in the fast-casual restaurant sector.

Insight from more than 5,000 consumers surveyed in multiple consumer studies as well as the expert opinions of culinary professionals helped identify the **rise of marketplace fast-casual, the demands of younger consumers and the popularity of farmers' markets and food halls.**

"Today's younger consumers enjoy the endless choices offered by food halls and the straight-from-the-source freshness they find at farmers' markets," says Sharon Olson, executive director. "Marketplace fast-casual capitalizes on younger consumers' desires by merging all the best features of both into a modern, high-tech environment that turns a meal break into an experience."

Here are five things to know about the features shaping this emerging segment:

### **Atmosphere is everything**

**Venues like farmers' markets and food halls appeal to all demographics.** But, the study reveals that the **reasons younger and older consumers are drawn to such venues tend to vary.**

For younger consumers, part of the appeal lies in their entertainment value. Nearly 62% of consumers ages 18-34 say they enjoy going to venues like food halls and farmers' markets because they're just as much a social occasion as a shopping trip, compared with 56% of consumers ages 35-54 and 43% of consumers ages 55 and older. Additionally, 71% of consumers ages 18-34 say they love learning about new foods by shopping around such venues, compared to 67% of consumers ages 35-54 and 55% of those ages 55 and older.

Marketplace fast-casual operations cater to these desires. They aim to capture the excitement of a market by building an engaging atmosphere, offering consumers as much information about their food as possible and putting fresh ingredients front and center. And, 69% of consumers ages 18-34 say they love the collaborative energy that farmers markets and food halls offer.

### **On full display**

**Marketplace fast-casual operations understand the importance of putting on a good show.**

Operators don't just display the assembly of customers' meals, but the preparation too. Likewise, 72% of consumers ages 18-34 say that they like to watch their food being made, and 79% say they want to know as much as possible about the food they're eating. An open kitchen adds to the entertaining atmosphere, while also assuring consumers that their meals will be fresh.

## Fresh and customizable

**Younger consumers are looking to put less processed foods on their plates, but they don't want to sacrifice the convenient lifestyles they have grown accustomed to.** In fact, 89% of consumers ages 18-34 say that they would like to eat more fresh fruits and vegetables, and 76% of consumers ages 18-34 say they shouldn't have to try too hard to eat healthy. With their emphasis on fresh produce and natural ingredients, marketplace fast-casual restaurants make getting a quick, produce-centric meal that consumers feel good about a painless process.

Customization also makes eating well easy, allowing customers to pick and choose from an abundance of fresh options, whether they're substituting ingredients in a seasonal menu item or building their own bowl from the base up. Likewise, 85% of consumers ages 18-34 say they are likely to purchase menu items that they can customize.

## Flexible ordering

From **mobile apps** that allow customers to place their orders ahead of time online to **in-store touchscreen kiosks**, marketplace fast-casual operators recognize and meet their customers' wide range of needs. Nearly 62% of consumers ages 18-34 agree that using technology to order food is easier than ordering from an actual person. And, for those with customized tastes, ordering from a kiosk or their mobile phone ensures their special requests aren't lost in translation. Likewise, 58% of consumers ages 18-34 say they like using technology to order because it ensures that their order will be accurate.

Of course, **both operators and younger consumers aren't forgetting the value of a friendly face.** That's because 78% percent of consumers ages 18-34 say they enjoy ordering their food from a real person because they enjoy the element of human interaction.

## Connection to vendors

**Young consumers know that knowledge is power**, so marketplace fast-casual operators make sure information about how and where their food is sourced is highly visible and proudly displayed. And, 71% of consumers ages 18-34 say they trust vendors at farmers' markets because they get to see who grew and handled their food.

Furthermore, 68% of consumers ages 18-34 say they love talking to vendors at farmers' markets who are passionate about the food they sell, a number that outpaces older demographics. Meanwhile, 63% of consumers ages 35-54 and 50% of consumers ages 55 and older state that they love talking to vendors who are passionate about the food they sell. Marketplace fast-casual restaurants tout their close ties with vendors in a way that establishes trust and tells a story.