Shopping malls are becoming must-have locations for eating out brands

Operators of fledgling restaurant, café and quick service chains are increasingly looking to shopping malls as must-have locations as the UK's latest malls become showcases for established eating out concepts as well as the market's emerging brands.

Lesser-known restaurant brands are regularly appearing in shopping malls alongside more established names such as Wagamama, Café Rouge and Nando's, as operators are attracted by the high volume of customers in malls, seven-day week opening, long opening hours and the captive market.

Malls are also increasingly providing family-based leisure facilities, offering foodservice outlets more opportunity to sell food and drink.

Launching its latest Ones to Watch survey, foodservice consultancy **Horizons** notes that London's new Westfield Stratford City mall, the UK's 3rd largest mall, features at least 15 emerging brands which are showing rapid growth in the UK including café and bar concept Balans, Bumpkin (British restaurant), Cabana (all you can eat churrascaria casual dining), Caribbean Scene (Caribbean quick service), Comptoir Libanais (Lebanese café) and frozen yogurt outlet Pinkberry.

?There is a lot of competition amongst food outlets in malls, but securing sites within them is becoming vital for many quick service operators. The fact Westfield has long opening hours, over 300 retail outlets as well as on-site entertainment in the form of a bowling alley, casino and 14 screen cinema, ensures a high footfall of hungry consumers, especially families and teenagers. Westfield has over 70 foodservice outlets in seven designated areas and food is a vital part of the consumer offer,? commented Horizons' director of services Paul Backman

Foodservice areas in malls vary not only in location - including both indoor and outdoor opportunities - but in type. They typically include food courts, kiosk-style dining outlets, food markets as well as fast-casual dining and bar concepts aimed at the evening trade.

?Malls are becoming a microcosm of the high street, with all the big names represented as well as smaller, emerging chains. They are also unforgiving ? if a unit doesn't work within a mall, then it is unlikely to work on the high street, so operators find out quickly whether their concept has staying power. Knowing the demographics of each shopping centre enables mall operators, and outlet owners, to take a far more sophisticated approach in targeting their audience with the right offer,? Backman added.

Horizons' Ones to Watch service tracks the emergence of new and expanding brands. To qualify for inclusion each brand must have between five and 25 outlets and experienced growth of at least 20% over the previous three years combined.

The survey, which is released by Horizons biannually, puts Byron, the gourmet burger brand, as the fastest growing concept of the past six months. Byron has expanded by 217% between 2009 and 2012, going from just six outlets in 2009 to 19 in 2012. Wildwood, Ed's Easy Diner and Busaba Eathai are also showing significant outlet growth (see table A below).

Key trends in the eating out market, identified by Horizons, include: the emergence of a number of street food concepts such as Wahaca and Luardos (Mexican), Mooli's (Indian), NOW (Chinese), and Street Kitchen and Yalla Yalla (Lebanese); the growth of all you can eat Brazilian churrascaria (rotisserie) with brands such as Bem Brasil, Cabana, and Cabana Rodizio Preto; tea bars, demonstrated by concepts such as Boutea, Leaf tea, Teacup, Tea Monkey and Teapod; as well as British-themed restaurants such as Bumpkin, Canteen and Union Jacks.

?We are also seeing a degree of flexibility as operators try different routes to market. For example, some mobile operators such as Daddy Donkey and The Meat Wagon/MEATliquor have added permanent sites, while some fixed operators, such as Byron, have launched mobile units for outdoor use at festivals and events.

?This is something we expect to see more of as foodservice operators recognise the brand value that mobile units can bring,? added

Paul Backman.

(ends)

TABLE A: TOP 10 FASTEST GROWING ONES TO WATCH BRANDS

Brand
Rank

(Summer 2011 rank in brackets)
Number of outlets
Growth in number of outlets between 2009 and 2012

2009
2010
2011
2012

Byron
1 (1)
6
12
17
19
217%

Wildwood
2 (4)
3
7
9
9
200%

Ed's Easy Diner
3 (15)
3
5
7
8
167%

Busaba Eathai

Cinnabon

Mission Burrito
(9)

4 (10)

(-)
4

2

2
5

3

3
9

5

4
10

5

5
150%

Wok & Go
7 (-)
3
3
6
7
133%

Homemade Burger Co
8 (11)
6
7
12
13
117%

Wasabi
9 (16)
11
18
22
23
109%

Abokado

Auntie Anne's

Chimichanga

Wahaca

Yoomoo
(7)

(15)

10 (12)

(-)

(8)
5

8

6

3

5
6

9

8

3

5
9

18

12

6

11
10

16

12

6

10
100%

Source: Horizons/Ones to Watch/February 2012

Ones to Watch is available on subscription through Horizons. Call Paul Backman on 07811 401356 or email him on paul.backman@hrzns.com for further details.

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Editor's Note

Horizons helps its clients make better business decisions by providing accurate and detailed information about the foodservice market, its trend, and opportunities. The company provides consultancy services, workshops and statistical information based on its model of the sector and database of key accounts across Europe.

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