

RESTAURANT INNOVATION: WHAT DO CUSTOMERS WANT?

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Abstract

This article takes a customers' perspective approach to reflect on the importance of innovation in the restaurant industry. Innovation in restaurants is vital for the business to remain distinct, to attract new customers, and to differentiate themselves from competitors. The aim was to identify the main characteristics and habits of restaurants' customers, to find out what customers value in a restaurant offer, and to identify the perspective of customers on new and innovative dishes from restaurants' menus. The focus was on the innovations that the customers expect from restaurants. The authors conducted a survey which revealed that most people dine out for dinner and lunch and have a varied diet. Image is a significant feature in choosing a dish; the combination of ingredients is the most prominent innovative aspect of a dish. In terms of dishes that people want but could not find in restaurant menus, a special mention goes to desserts such as semolina/rice pudding, or plum dumplings, followed by vegetarian options such as cashew cheese and vegan broths. Modern dishes are associated with exotic ingredients such as avocado, Chia seeds, Matcha powder, or vegetable noodles. People seem to be ready to try new things and ready to take in new offers from operators. The likelihood of picking a new dish from the menu reached the score of 3.58 out of 5, a result that completes the portrait of the contemporary client.

Keywords: Innovation, restaurants, customer preferences, innovative dishes

JEL Classification: O30, O 39, L83

Introduction

Today, in order to bring value to customers, most products are characterized by a particular feature or element, most often created through innovation. To meet even the highest and most demanding needs, entrepreneurs resort to originality, information and imagination (elements of innovation) which they translate into ideas. Subsequently, ideas take the form of products and services that are found in our lives.

For the prosperity of any restaurant, the management has to come up with new solutions and ideas to match the customers' needs and desires. In addition to novel restaurants that offer quality services, most customers search for dishes that impress and delight their tastes. They are looking for special features regarding the plating and serving, the unique combination of ingredients and the taste, maybe the most important attribute of each dish. In all these respects, innovation is a critical attribute.

The aim of this study is to find out if innovative gastronomic products from restaurants can represent a successful business idea and what is the customers' perspective on this issue. What do customers want from restaurants?

1. Brief Literature Review

Innovation can be regarded as the process of transforming an idea or an invention into a good or service (creators of higher value) for which customers are willing to pay (Business Dictionary, 2010). Moreover, the idea must be materialized or reproduced and, at the same time, it must satisfy a specific need. In other words, innovation brings together information, imagination, and initiative to eventually

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extract the essence of different resources, resulting in new ideas which are subsequently transformed into useful products or services.

Innovation brings elements of novelty, originality, and it involves adapting the offer to current demands of consumers, constantly looking for new solutions to business problems (Nicolae, 2014). Amit and Zott (2012, cited by Ivkov, Blešić, Simat, Demirović, Božić and Stefanović, 2016) state that innovation can be accomplished in several ways, generally by adding new activities, by using the same activities in different ways, or by modifying one or various parts of those activities.

The restaurant industry is a big fan of the word innovation which it uses for all the new products or different features it introduces to the market. Innovation is a concept that all restaurants aspire to; it is what the food critics are usually looking for. It is hard to describe what innovation means in a restaurant, but it is vital for the business to remain distinct, to attract new customers, and to differentiate itself from its competitors. The good running of a restaurant is difficult to achieve and restaurant businesses have a high rate of bankruptcy. Innovation can be a barrier to failure and a path to success. Through it, the operations can be changed to increase the success rate of the business (Thacker, 2017).

Often, innovation in this industry is limited to the use of technology, challenging traditional working methods, menu upgrading, and more. Most restaurants focus on how to attract new customers and ultimately change their experience. Innovations in the restaurant industry must focus on how the business evolves; it does not always mean an element that is unexpected or amazing, but more importantly the attention to detail (Wirth, 2018).

Ivkov et al. (2016) show that innovation in restaurant industry can follow several routes: design and atmosphere, food and beverage, technology application and responsible approach of the business. For food and beverage, innovation could mean changing something related to the portion size, the ingredients, or introducing an allergen free choice. In terms of responsible business, the aforementioned authors name ethics, packaging, or recycling; for design and atmosphere, innovating might mean altering the interior or exterior facade, color, or music. Last but not least, some businesses might innovate in the human resource area.

When it comes to technological innovations, several examples come into play. Israeli developer Yariv Bash has tried to solve the problem of order waiting, eliminating the traffic and need for additional personnel, innovating in the delivery method area, using the specialized Flytrex distribution drones (Coquillat, 2018). Another successful test passed by Flytrex also took place in the small town of Iceland, Reykjavik, where, due to the infrastructure, the road from order to restaurant was very long. Here came the drone delivery system and, in just 4 minutes, delivered the products ordered by customers, which traditionally would have arrived in 25 minutes (or more). It is a win-win situation, from which the entrepreneurs, customers and the environment have to win, the delivery with drones significantly reducing the costs of delivery, being a fast and 100% environmentally friendly method (Flytrex, 2017).

The order at the digital kiosk (Rensi, 2018) is the result of the automation of the orders from the quick-service restaurants. The digital order kiosk is a device through which customers can order and pay on their own, without the help of an employee. An example is the chain of McDonald's restaurants, which decided in 2015 to introduce digital kiosks for ordering, a technology that would simplify and improve the customer experience after placing an order. With the help of digital kiosks, things are simplified: the order is placed, the food comes to the table, and the customers spend more time with the company and not waiting in line. The presence of this system in restaurants allows the management to make customizations and changes at the menu level in all restaurants, at the same time. McDonald's is not the only restaurant chain that uses the new order method; it is used by others such as Panera's, Chilli's, Starbucks.

The augmented culinary experience is a futuristic method of interaction between customers and restaurants, which will be possible in the near future through new technology. For example, the Romanian start-up Lampix created a device that, with the support of virtual reality, manages to transform any surface into a smart augmented reality surface (Lampix, 2018). The Lampix device stands above any surface and through projection and computer vision, it understands everything that

takes place there. In addition to the design, this device allows interaction between the client and the smart surface; there will be no need for a physical menu to order, the surface of the table becoming both a menu and a space to serve the dishes. At a touch, you can select and view any of the products in the restaurant menu. Lampix device could also inform the waiter when the client finished eating or drink is over and alert the waiter that it is time to clean the table or bring a new order. The payment is also requested through Lampix device and can be viewed in full by everyone, with individual or full payment options (Lampix, 2018).

Morgan (2019) mentions a popular restaurant brand, Momofuku, which is not afraid to think outside the box to innovate to serve customers. The brand will propose a new concept for dining in its New York restaurant, Ando. This restaurant will operate completely through mobile ordering and delivery. Through this new solution, the restaurant delivers to its clients unique, gourmet food without the dread of waiting to be seated or served or travelling through the city.

KPMG (2016) identifies seven trends that should be at the base of the innovation strategy, that is consumers' preferences for healthy food choices, changes to menus driven by regulatory norms, increase in food service operation, technological progress, environment-friendly and sustainable practices, increased preference for global cuisine, focus on Generation Z. Restaurants should take into account the fact that consumers are constantly changing, becoming more connected and empowered, challenging the companies, and expecting more from them.

Barilla Centre for Food& Nutrition (BCFN, 2012) presents thirteen evolving trends related to the food we eat; the first trend mentioned is the fact that the taste is seen as pleasure intended to bring a sense of gratification and satisfaction through the gastronomic experience, the second is attention to health, and the third is orientation to the past, which entails preservation and use of traditions. For a thorough presentation of these trends, see Table 1.

Table no. 1 Evolving trends: Eating in 2030

No.	Trend
1	taste as pleasure intended to bring a sense of gratification and satisfaction through the gastronomic experience
2	attention to health
3	orientation to the past, which entails preservation and use of traditions
4	orientation to the future, which means an emphasis on and enhancement of progress
5	technology
6	naturalness, or simplicity
7	globalization of flavors, or an exchange between dietary cultures
8	local and regional food
9	"luxury" food, in terms of higher quality and scarcity of certain foods
10	"low cost" food, or accessibility in the sense of wide availability
11	speed, brought about by lack of time
12	individualization, from a relational standpoint
13	sustainability

Source: BCFN, 2012. Eating in 2030: trends and perspectives. Barilla Centre for Food& Nutrition, [online] Available at: < <https://www.barillacfn.com/m/publications/eating-in-2030-trends-and-perspectives.pdf>

Next, a survey was conducted to see how customers perceive some of these influences and trends, what customers want from restaurants in terms of innovation in some important respects.

2. Research Methodology

The purpose of this research was to see if, from the customers' perspective, the innovative gastronomy is the key to a successful restaurant. To test this idea it was necessary to collect data to find out which elements might impact this answer. The study's research objectives were: (1) to identify the main characteristics and habits of restaurants' customers, (2) to find out what customers value in a

restaurant offer and (3) to identify the perspective of customers on new and innovative dishes from restaurants' menus.

We also wanted to test two research hypotheses regarding the customers' perspective on innovation in restaurants:

- Hypothesis 1. Most people are reluctant to order a new dish from a restaurant menu.
- Hypothesis 2. Most people associate a modern dish with an exotic ingredient.

To collect the necessary data, a quantitative research was used, more specifically a survey. A questionnaire was created and distributed online through the iSondaje.ro platform, a trustworthy instrument for conducting studies. The questionnaire had open and closed questions, most specific to the study and a few demographic. Several variables were used: demographic (such as age, monthly income), specific (such as habits, values, perception on different issues). For measuring the variables, multiple types of scales were used: nominal, ordinal, and of attitude.

The sample was comprised of 147 respondents from which 100 are women and 47 men, 91.8% live in the urban area and 8.2% in the rural one. 87.1% of the respondents are employed and 74.9% are between 18 to 30 years old, an outcome which fits our expectations towards the target group we wanted to focus when the questionnaire was developed. Also, 98 out of the 147 respondents graduated university education studies and most of them, 57.8%, have a monthly income over 3.000 lei. Last but not least, 96.6% of our respondents say they eat/dine out. Given the objectives of the study, this sample is convenient because these respondents represent a large customer segment of restaurants.

3. Results

The questions were enunciated so that the authors could identify the consumers' habits and preferences and to attain the research objectives.

One of the questions was "Which is the type of meal you pick when you eat out" (multiple choices available). The results show that almost all respondents opted for dinner (92 votes) and lunch (86 votes), an aspect noticed also in business given that these are the busiest moments at restaurants. Situated far away from the first places are the brunch (14 votes) and breakfast (5 votes), which most people skip or serve at home.

Another question was concerned with the main dietary choice of the respondents ("The type of diet you follow"). Our study shows that the majority (88.2%) has a varied diet, 6.9% are vegetarians (dairy included) and only 4.9% have other types of diet such as vegan, keto, or gluten free. Even though the percentage of people with a different kind of diet is low, it is on a rising trend; the number of individuals interested in keto, gluten free or other such diets is increasing. This is also noted in the literature, with authors showing that such eating behaviors are becoming more familiar (Foodinsight, 2018; Duncan, 2019). Moreover, people become more aware of the benefits of healthy diet. All these may be explained by the information available nowadays and the more sophisticated food choices that people make. The 2018 Food & Health Survey (Foodinsight, 2018) shows that consumers are concerned with their weight and energy and brain function they get from food.

Another question in our survey aimed to identify the main reasons a person chooses a restaurant ("You choose a place for"). We had 3 missing responses to this question. The most common pick was the dishes in the menu, 104 votes out of 144 people that answered the question (72.2%), next in line being location with 22 votes (15.3%), ambience (13 votes), novelty on the market (2 votes), price (2 recalls) and quality. This order is normal since in restaurants, unlike coffee shops, terraces and other businesses alike (where the main focus falls on ambience, location and other), the most important attributes are the dishes in the menu. Most people that dine out choose a restaurant based on its offer. Specifically, the most important factors in choosing a restaurant are the dishes in the menu (72.2%), location (15.3%) and ambience (9%).

We went forward with another question to see how much the appearance of the dish influences the consumer ("How much does the image of a dish influence your choosing?"). 41% of the respondents are strongly influenced by the image, 27.8% extremely influenced and moderately influenced, 2.1%

slightly influenced and 1.4% not at all influenced. The average score in the end was 3.92 out of a maximum of 5. It is something already understood, but the study supports the fact that the visual aspect impacts our selection when it comes to what we eat.

Going forward, one question reached the innovative aspect of a dish (“Mention a criterion which stunned you with novelty in a dish you ordered: aspect, ingredients, service, and other”). The combination of ingredients came first with 50 votes and a few examples are “Mirabelle compote sauce added to the mashed potatoes”, “red hamburger bun”, “crispy potatoes skins”, “edible flowers”. Next came the aspect with 45 picks, followed by plating with 30 votes (“oven baked potatoes with mozzarella were served in clay pots”, “the salad was served in a bigger plate than the usual which eased the cutting and mixing process of ingredients”). Taste was reminded by 10 people, method of preparation scored 4 votes (“partly boiled snails then baked in oven with butter and greens”), scent got 2 mentions, and quantity one. This question’s aim was to reveal which are the characteristics clients find as new when they serve a meal.

Digging deeper regarding the innovative food found in restaurant menus, we wanted to find what dishes are sought by customers but not yet found (“Mention a dish you have not yet found in a restaurant but wish you would find”). 73 respondents did not know how to answer or said they came across all dishes they wanted in the restaurant menus so far; the other 74 people named chicken, pork, beef, fish based dishes, pastas, broths/soups, pizza, Romanian, South American, French, Slovak, Chinese, vegetarian cuisine, childhood food, insect based dishes (3 mentions), desserts (fruit based dishes, semolina/rice pudding, plum dumplings, Açaí bowls, colivă with more than a mention each). It’s easy to see the wide range of dishes mentioned by respondents, most probably inspired by memories from travelling, childhood, experiences from abroad, and recommendations.

The questionnaire included an open question which aimed to identify the factors that drive a satisfactory experience in a restaurant (“Describe a satisfactory experience you had in a restaurant <mention the restaurant and reasons>”). 112 respondents chose to answer and reminded restaurants from abroad (restaurant chain Le paradis du fruit from France, Meatology from Budapest, Japanese restaurant from Italy) and from our country (Canta Cuisine from Bușteni, Bistro from Buzău, GasthausAltepost from Sighișoara, Dor from Bran, Pathos from Slatina, Prato, Sub Tâmpa, Dei Frați and Pompon Rouge from Brașov, Oscar from Câmpina, Pizza Napoletana from Timișoara, Marty from Cluj). In Bucharest, the following restaurants scored multiple mentions: Shift restaurant 4 times and 2 votes for Alt-Shift, the Fish Section from Dorobanți Market, Switch.eat, the restaurants from Alioli group, Vivo restaurant, El Torito, TratorialCalcio, La mama restaurant. When summing up the reasons for a satisfactory experience in a restaurant, common answers are atmosphere, quality, plating, variety of dishes, distinguished design of the place, staff’s politeness, or maintaining the service throughout time.

Onward, the question “How likely are you to pick a new dish from a restaurant’s menu?” intended to see how prone are people to order new things and how reluctant are to new dishes. On a scale of 1 (very unlikely) to 5 (very likely), 50 people were neutral, 41 likely, 34 very likely, 13 unlikely, 6 very unlikely, and 3 missing answers. This sums up in an average score of 3.58 out of 5. The result is encouraging for restaurant owners who want to reinvent their offer. They can push the boundaries and constantly introduce new dishes in their menus to stand out from competition. Based on this result, the first hypothesis of the study is not validated (Table 2). The assumption under which people are reluctant to order a new dish from the menu was not correct.

Another question is related to the innovative dishes (“Which ingredients you associate with a modern dish?”). 57.6% named avocado as a modern dish ingredient; at a great distance we find Chia seeds (23 votes), Matcha powder and vegetable noodles (18 scores each). The place of the avocado fruit can be explained by the fact that in recent years it became a popular ingredient among those who cook and are constantly coming up with new culinary ideas in restaurants, TV shows or online (food blogs). Therewith, the fruit is versatile and can be used in many dishes: appetizers, salads, main courses, desserts, and even drinks. This validates the second hypothesis of the study.

Table no. 2 Research Outcomes

Research hypotheses	Outcome
Hypothesis 1. Most people are reluctant to order a new dish from a restaurant menu.	Infirmid
Hypothesis 2. Most people associate a modern dish with an exotic ingredient.	Validated

Source: Realized by authors

Based on these results, only one hypothesis was validated (Table 2). People associate exotic ingredients such as avocado, Chia seeds, Matcha powder or vegetable noodles with modern dishes. Invalidating the other hypothesis is actually good news for the restaurants that intend to innovate. People seem to be ready to try new things and ready to take in new offers from operators. Therefore, the study reached its purpose, backing the idea that innovative gastronomy may be a successful business approach.

Conclusions and Future Research Directions

As mentioned, the aim of the study was to find out if innovative gastronomy can represent a successful business idea and see how customers perceive innovative dishes.

Most respondents dine out for lunch or dinner and have a varied diet; compared to the past, the number of those who followed other kinds of diet grew (vegetarian, keto, gluten free). One way to explain this is the society's trends and the social consensus principle, another way is by the growing number of such restaurants on the market.

Most people that dine out choose a restaurant based on its offer. Particularly, the most important aspects in choosing a restaurant are the dishes in the menu, location and ambience. Image is an important factor in choosing a dish; restaurants should take this into much consideration. When it comes to novelty, clients mention as important the combination of ingredients; a few answers stand out such as Mirabelle compote sauce added to the mashed potatoes, red hamburger bun, crispy potatoes skins, edible flowers.

In terms of dishes that people want but could not find in restaurants menus a special mention goes to desserts such as semolina/rice pudding, plum dumplings, and colivă. These are followed by the vegetarian dishes; respondents cite cashew cheese, broths (fake tripe soup with Pleurotus mushrooms, salad soup), insect based dishes (ants), and other. Not taking into consideration the ants, the rest of the dishes are classical, reinterpreted, adding new ingredients, which transform the classic in new and modern.

Among the reasons related to satisfactory restaurant experiences, we encounter excellent food, kind and polite staff, pleasant atmosphere. These factors are also found in the restaurants that were mentioned multiple times such as Shift restaurant, Alt-Shift, the Fish Section from Dorobanți Market, Switch.eat, the restaurants from Alioli group, Vivo restaurant, El Torito, Tratorial Calcio, La mama restaurant, places with Romanian and international cuisine, spectacular dishes, special mise-en-place and well trained staff, successful businesses, renowned among clients in Bucharest.

The likelihood of picking a new dish from the menu reached a score of 3.58/5, a result that completes the portrait of the contemporary client.

Limitations. This study is limited as it has a small sample and it focuses on one specific customer segment from one particular region (Romania). This translates into the fact that the obtained results cannot be generalized. They represent just a starting point in understanding how innovation in restaurants is seen by customers. Additionally, another limitation is the fact that the study focuses on innovative dishes. Also, it would be interesting to investigate which other innovative factors, beside dishes, can significantly influence the activity and performance of restaurants. From other business examples we can think of technological solutions such as the use of digital devices or augmented culinary experience. This approach is important to new generations (e.g. Generation Z) which demand high-tech service and moving visuals to have increased experiences (KPMG, 2016). This study did not focus on this aspect and further research is needed in this respect.

As a general conclusion, restaurant owners should have the courage to think outside the box, leave behind the traditional approach, and innovate. People are ready to try new things. One way to make clients come back is to offer them dishes that look good, taste great, and have emotional appeal.

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