



# Shifting Gears

The food truck segment is growing faster than casual dining. What can manufacturers do to appeal to these operators on the move?

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BY 2020.**

**R**estaurants used to be confined to a single point on the map, but dining options are no longer limited to the traditional brick and mortar location. Other foodservice concepts are gaining traction, from food halls to food trucks, grocerants to vending machines. For instance, Technomic reports that sales for the food truck segment are growing fifteen percent annually, compared with just five percent for casual dining. The less mobile but no less popular food halls are expanding sixteen times faster than restaurants in the United States.

With growing competition for the consumer's dollars, operators need to be ready to experiment outside traditional dining formats. Growth in other foodservice segments will affect manufacturers, from the products you make, to the volume of orders you receive, to your distribution options.

## THE FOOD TRUCK FRENZY

Food trucks are the fastest growing channel in the foodservice industry today, boasting an impressive revenue

of \$2 billion across the US. Food truck are the fastest growing channel in the foodservice industry today. Food truck sales are expected to reach \$996 million by 2020.

Aaron Allen & Associates Global Restaurant Consultants say that the category's growth is so big that it's making up for losses from stalls and kiosks in malls. You probably remember the musical ice cream truck cruising through your neighborhood or the funnel cake truck at a city fair. Food trucks are taking that mobile consumption to a new level, appearing at parks, outside of businesses and universities, at festivals, and wherever hungry consumers gather. They bring their brands to the customers instead of trying to get the customers to come to them.

Early food truck businesses were mostly made up of independent operators, but national chains like Taco Bell, Cousins Subs and Chick-fil-A are taking their wares to the streets. Expect to see more big names showing up beside your local favorites as this market continues to expand.

## 4 KEY TAKEAWAYS FOR MANUFACTURERS

When food truck operators source products, they consider pricing, convenience, delivery options and quality. As a manufacturer, think about how the operators are looking to source their menu.

- 1 Food truck operators need a streamlined menu. How can you position your products to work with multiple menu items?
- 2 Food truck operators have limited storage. Can you manufacture items specifically for this market? (i.e. smaller pack sizes, single serve condiments rather than table top)
- 3 Food truck operators will choose suppliers that are cost-effective, but you need to be in front of them to be in the running. Are your products listed on FoodService.com or available at Restaurant Depot or Jetto? Club stores are also a popular destination for food trucks to stock up on quality ingredients.
- 4 Food trucks don't have permanent addresses, so receiving deliveries can become a challenge. How can you help with the logistics? 🔥