



FOOD BEAT™, Inc.

*Your Source for the Latest in
Menu Information, Trends and Analysis*

FOOD BEAT, Inc.
300 South Carlton Avenue, Suite 150
Wheaton, Illinois 60187

Phone: 630-690-8790
Fax: 630-690-8712
E-mail: info@foodbeat.com
Website: www.foodbeat.com

Shrimp on Chain Menus
A 5-year Review (1999-2003)
of
Menu Mentions and Pricing Activity

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Twice a year Food Beat, Inc. surveys menus and menu boards in use at restaurants of 200 of the nation's largest chains (based on dollar volume). Menu information, including item and price, is entered into a relational database that is regularly tapped by both restaurant operators and foodservice suppliers for information and insights about menu activity defined by a certain period of time, certain types of operators, or certain menu items and/or ingredients.

The American Seafood Distributors Association (ASDA) requested that Food Beat conduct an analysis of menu data from the top 200 restaurant chains over the past five years pertaining to shrimp menu items. This analysis of menu data shows that many of the nation's largest restaurant chains have greatly expanded their offerings of appetizers, entrées and salads with shrimp while holding the line on prices.

Menu prices tend to change over time, with fluctuations often occurring because prices are a product of many different factors in addition to food costs, including labor and health care costs. Nonetheless, the study revealed that of the menus analyzed, a greater percentage of shrimp menu items show price decreases when compared with overall menu items with price decreases; and, the percentage of shrimp items that showed price increases was often below the percentage of overall menu items with price increases.

Specifically, Food Beat's analysis found the following:

- The number of mentions of shrimp on menus of the nation's largest restaurant chains increased by 47 percent between 1999 and 2003 with 118 out of the top 200 chains menuing shrimp in 2003.
- Since 1999, the number of appetizers with shrimp on chain menus has increased 39%, the number of entrées with shrimp is up 40%, and the number of salads that include shrimp jumped 90%. Clearly, many restaurant chains have greatly expanded their number and variety of shrimp menu offerings.
- Shrimp menu items can now be found at a range of price points that fit the chains' typical customer. The average price of a shrimp appetizer, entrée or salad was lowest at fast casual and QSR (quick service restaurant) chains, and strong value could also be found at family/midscale chains. Shrimp menu item prices were, not surprisingly, higher at casual dining and upscale chains. (See Chart 1)
- Over the past five years, the percentage of shrimp items showing price decreases was often higher than the percentage of overall menu items with price decreases. (See Table 1)

- During the same time period, the percentage of overall menu items with price increases ranged from a high of 28% in the 1st half of 2001 to a low of 16% the 2nd half of 2003. The percentage of shrimp items that showed a price increase was often below the percentage of overall menu items with price increases. (See Table 2)
- New shrimp items added to menus in the second half of 2003 included:
 - A bite-sized shrimp basket, \$2.99, Captain D's
 - Shrimp skewer with any entrée, \$2.49, Chi-Chi's
 - Kids shrimps ahoy (5 large shrimp with fries), \$3.49, Denny's
 - Boatloads of seafood (includes 12 shrimp), \$3.99, Long John Silver's
 - Grilled shrimp skewer appetizer, \$5.99, Smokey Bones
 - Five succulent shrimp, wrapped in bacon, mesquite-grilled on a bed of rice, \$5.99, Roadhouse Grill
- Of 641 mentions of shrimp on chain menus in the second half of 2003, 67% were associated with entrées, 14% were in appetizers and 9% in salads. Kids' menu items, sandwiches, soups and sides accounted for the remaining 10% of shrimp mentions. (See Chart 2)
- Shrimp is important to menus regardless of restaurant format as illustrated by the fact that:
 - Seventy-one of 79 of the nation's largest casual dining chains offer shrimp on their menus.
 - Twenty-eight of 43 of the largest family/midscale chains offer shrimp on their menus.
 - All nine upscale operators in the top 200 largest chains offer shrimp on their menus.
 - Four out of 15 fast casual chains (dominated by bakery/café and sandwich chains) offer shrimp on their menus.
 - Six of the largest 54 quick service restaurant (QSR) chains offer shrimp on their menus.
- Forty-one chains in the top 200 that had shrimp on their menus in 1999 increased their shrimp menu offerings by 2003. Twenty-three chains showed a decrease in menu mentions of shrimp between 1999 and 2003 while twenty-two chains remained unchanged in the number of times shrimp was mentioned on their menu.

Chart 1

Comparison of Average Menu Prices with Shrimp By Restaurant Format

	Appetizer Price	Entrée Price	Salad Price
Casual Dining	\$7.99	\$13.78	\$9.87
Family/MidScale	\$4.49	\$8.26	\$8.54
Fast Casual	\$5.99	\$6.64	\$7.40
QSR	Not Menued	\$6.27	Not Menued
Upscale	\$11.13	\$17.14	\$10.30

Based on menus from 2nd half 2003

Chart 2

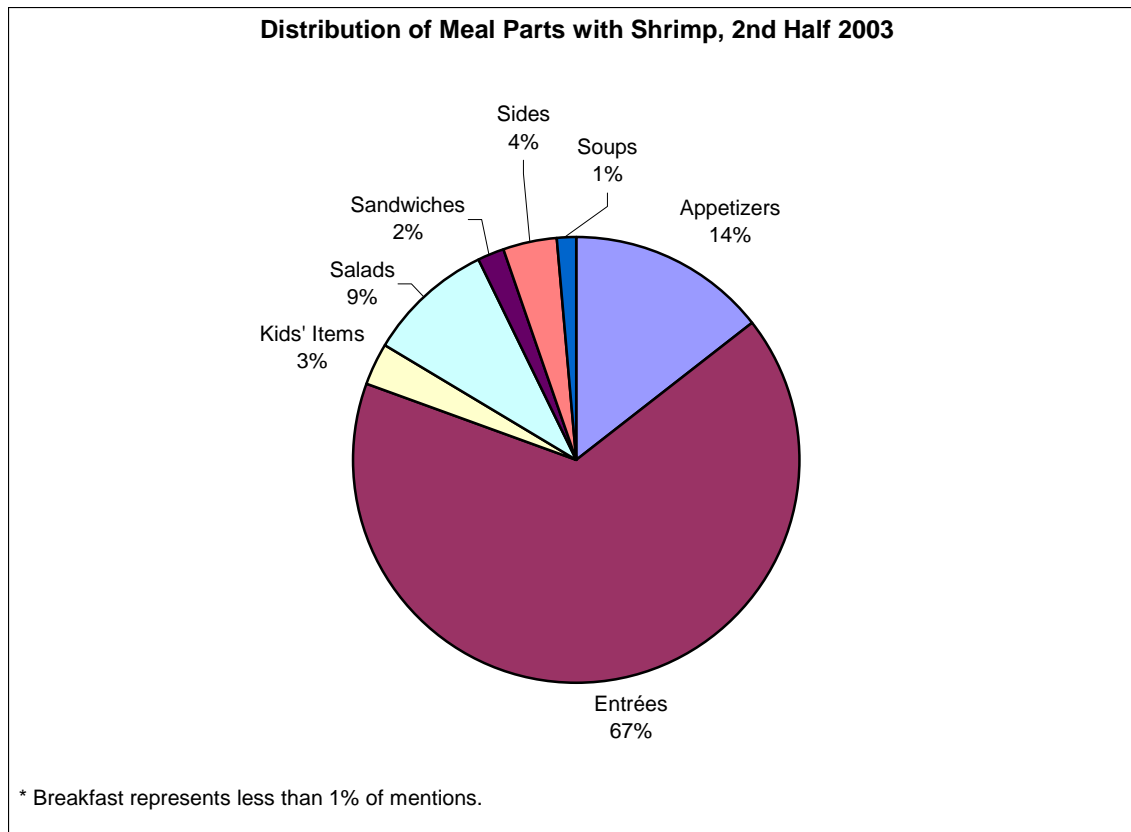


Table 1

Menu Price Decreases

Percentage of Appetizers, Entrées, Salads with Shrimp Showing a Price Decrease Compared to % of all Menu Items with Price Decreases 1999-2003

Price Decreases	1H99	2H99	1H00	2H00	1H01	2H01	1H02	2H02	1H03	2H03
Overall % of all Menu Items with Price Decreases	3%	2%	4%	2%	3%	4%	3%	1%	3%	2%
Appetizers with Shrimp	6%		4%	1%	1%		6%	1%	7%	3%
Entrées with Shrimp	2%	0%	3%	4%	1%	5%	5%	1%	4%	1%
Salads with Shrimp		3%	8%	5%	3%	3%	5%		6%	2%

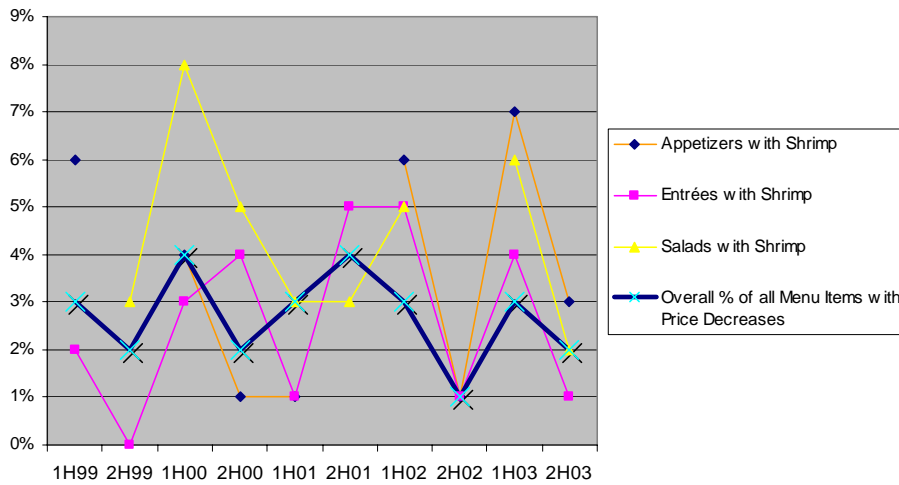


Table 2

Menu Price Increases

Percentage of Appetizers, Entrées, Salads with Shrimp Showing a Price Increase Compared to % of All Menu Items with Price Increases 1999-2003

Price Increases	1H99	2H99	1H00	2H00	1H01	2H01	1H02	2H02	1H03	2H03
Overall % of all Menu Items with Price Increases	18%	16%	22%	18%	28%	19%	21%	17%	18%	16%
Appetizers with Shrimp	14%	12%	15%	14%	7%	11%	19%	13%	15%	13%
Entrées with Shrimp	18%	18%	15%	13%	30%	18%	19%	13%	18%	14%
Salads with Shrimp	19%	23%	11%	10%	20%	10%	13%	13%	9%	17%

