

Healthy Kids, Healthy Business: New Children's Menu a Success at Regional Restaurant Chain

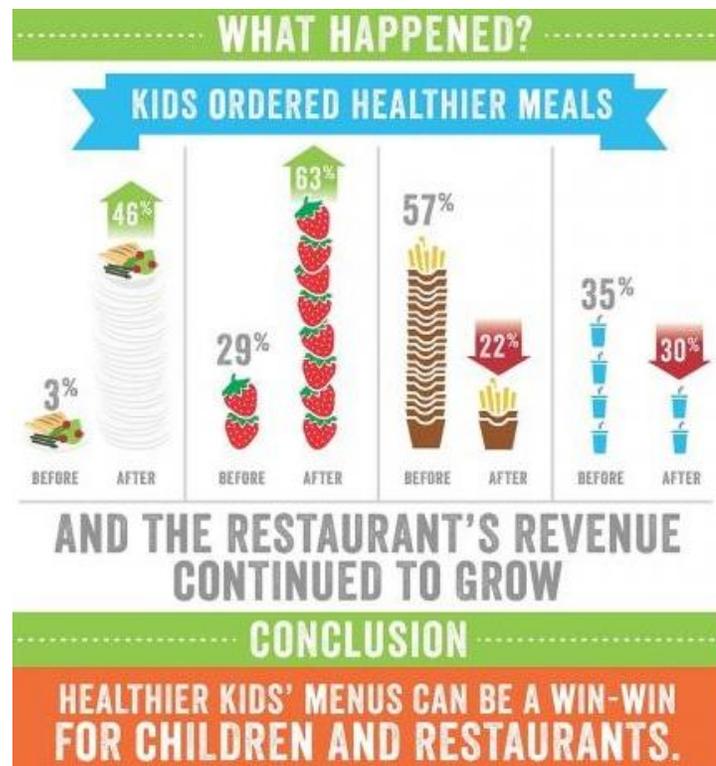
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What happened when a restaurant chain made healthful options more plentiful and prominent on its children's menu? The nutritional quality of meals ordered improved and revenue continued to grow, according to a recent study by [ChildObesity180](#) researchers at Tufts University Friedman School of Nutrition Science and Policy.

ChildObesity180 researchers examined several years of sales data from Silver Diner, a regional restaurant chain, before and after it introduced a healthier children's menu. After the menu changes, children's meal orders became more healthful and the restaurant's revenue outpaced that of other leading family dining chains.

Silver Diner Executive Chef Ype Von Hengst isn't surprised that the healthful food generated more business. He says customers are always asking for healthier options, and he's constantly trying to satisfy their demands – even at a traditional diner.

This research is timely as nationwide menu labeling is set to be implemented in May 2017.



WHAT'S NEW HERE?

Real-world, aggregate and individual ordering patterns and revenue data were analyzed after a children's menu change at a full-service restaurant.

Overall restaurant revenue continued to grow while children's orders of healthier options increased.

TAKEAWAYS FOR RESTAURANTS

Win-win. Healthier children's menus can be feasibly implemented. Changes to improve the nutrition of children's meals did not hurt restaurant revenue, and may have helped support growth.

Today's kids accept healthy options. Many children ordered the healthier sides and beverages listed even though off-menu fries and soda could still be substituted at no additional charge.

Defaults show promise for increasing the number of healthy options ordered; fruits were popular healthier side dishes for kids.

CHALLENGE ADDRESSED

Restaurants report that they hesitate to add healthier options due to concern that they will not sell as well as familiar, less-healthy options.

ANY SURPRISING RESULTS?

The significant degree to which orders of healthy sides increased and orders of fries decreased was particularly encouraging.

BACKGROUND

It is no secret that obesity rates have reached alarming levels. Since 1980, childhood obesity has tripled. For the first time in US history, the current generation of children may not live as long as their parents.

The causes of childhood obesity are complex and multifaceted. Families today consume many of their daily calories outside of the home. Food eaten away from home makes up half of all food expenditures in the US.

Often, meals prepared outside the home are higher in calories, saturated fat, sugar, and sodium. Therefore, even modest adjustments to the calories and nutritional quality of children's meals at restaurants could have a positive impact on children's health.

In fact, the 2012 Institute of Medicine report *Accelerating Progress in Obesity Prevention* identified increasing the availability of healthful food and beverage options for children in restaurants as a key strategy in obesity prevention. As restaurants prepare to comply with the new federal menu labeling regulations, this study highlights the opportunity to improve the nutritional quality of children's meals.

OVERVIEW OF MENU MODIFICATIONS

To understand the business implications of a healthier children's menu, ChildObesity180 researchers conducted an independent analysis of data from Silver Diner.

In April 2012, the Silver Diner chain revised its children's menu to include more healthful options. The three children's menu changes were:

- 1. A greater number of healthful children's meals.** More children's meals met the nutrition standards set by the National Restaurant Association's Kids LiveWell program. (59% of children's meal options on the new menu met the criteria, compared to 22% before the changes.)
- 2. Automatically-included healthy sides.** Strawberries, mixed vegetables, or side salads were bundled with all children's meals by default.
- 3. Less-healthy options removed from the children's menu.** French fries, home fries, and sugary fountain drinks, including soda and lemonade, were removed from the children's menu, but could be substituted upon request at no additional charge.

Methods

This study is the first to look at both overall business growth and children's ordering patterns after a healthy menu change.

Silver Diner granted ChildObesity180 researchers at Tufts University access to its sales database to assess orders before and after the new menu was instituted.

Researchers identified and analyzed aggregate data from all children's meals ordered during two 7-month periods, one before and one after the new children's menu was implemented, which amounted to more than 350,000 children's meals.

A random subsample of 18,712 checks were also analyzed.

Silver Diner reported yearly annual revenue during these years, and the 4 years prior, to establish an overall trend.

FINDINGS

Kids ordered healthier meals...

- Orders of healthier Kids LiveWell-approved entrees increased from 3% to 46%.
- After the menu changes, French fries were bundled with fewer children's meals (22%) than before the changes (57%).
- Orders containing strawberries as the side dish increased from 29% to 63%.
- Fountain drink orders decreased by 5%, while milk and juice orders increased by 3%.
- The proportion of children's meal orders that included a healthy side dish rose from 26% to 70%, despite the availability of no-cost substitutions like fries.

... and the restaurant's revenue continued to grow

Restaurant revenue continued to grow after the new menu was implemented, and revenue growth at Silver Diner exceeded the growth of other leading family dining chains during the period studied. The price of children's breakfast meals, which had previously not included bundled sides, increased by \$0.79, while the price of other children's meals increased only slightly (by \$0.19). According to Bob Giamo, President and CEO, "Improving the children's menu was a worthwhile investment. Our customers wanted healthy options for their kids, and they voted with their dollars to prove it."

The bottom line: A healthier children's menu did not appear to hurt restaurant revenue and may have supported overall growth.

But could these changes be maintained?

Further analysis, conducted more than two years after the healthier menu was introduced, found that these changes were sustained:

- Healthy entrée orders stayed steady (43%).
- Kids continued to order healthier sides dishes (75% of orders) and beverages (76%).
- Total annual revenue for the restaurant continued to grow, exceeding the average revenue growth in leading family dining chains over the same time period.

ChildObesity180: About our work

Because the factors contributing to obesity are complex and systemic, it is unlikely that any single solution or sector will reverse the obesity epidemic. ChildObesity180's approach incorporates strategies from public health, academia, and business to implement a portfolio of evidence-based initiatives to help prevent childhood obesity in the environments in which children live, learn, and play.

ChildObesity180's Restaurant Initiative aims to reduce children's excess calorie consumption in restaurants and increase the supply of and demand for healthier options by conducting original research, informing the public, and engaging industry as partners in the solution.

For more information, visit ChildObesity180.org/HealthyMeals

For media inquiries, contact Kate Haranis at kharanis@denterlein.com.