
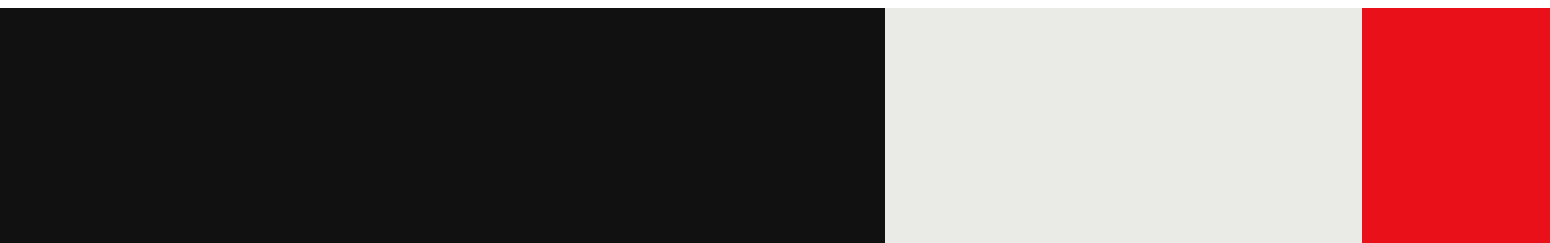


# Companies turn to “swicy” foods to woo Gen Z consumers

## Article



**The trend:** Restaurants and food manufacturers are embracing sweet, spicy, and fruity flavors to appeal to Gen Z consumers’ more adventurous and international tastes.

- **Almost 10% of restaurant menus contain “swicy” (sweet and spicy) items, an increase of 1.8% over the past year, per Datassential analysis cited by CNBC.**
- 

- Dollar sales for food and beverages with “spicy” as a descriptor are up 9% year over year (YoY), per June Circana data shared with CNN.

**Shifting tastes:** Both QSRs and CPGs are looking to boost their profiles with Gen Zers in order to make up for softer demand across their industries, and take advantage of the cohort’s desire to splurge on groceries and dining out.

- **Starbucks** is relying on its Spicy Lemonade Refreshers, as well as a seemingly endless array of brightly colored, fruity, and sweet drinks to bring younger customers through its doors—a savvy move that turned the coffee company’s stores into popular after-school hangouts for teens and tweens, even as older consumers stay away.
- **PepsiCo** deflected attention from its weaker-than-expected [Q3 earnings](#) by noting that its portfolio is well-positioned to benefit from “snackification,” as more Gen Zers opt for steady snacking throughout the day over large meals. The company’s **Flamin’ Hot** brand is another asset, with shoppers making nearly 400 million trips—up 31% YoY—to purchase its products in 2023.

But not every initiative has panned out: [Coca-Cola pulled its Spiced flavor](#) from shelves after a little over six months, as the disconnect between the name and its non-spicy flavor profile confused shoppers and hampered sales.

**Behind the trend:** Gen Z’s affinity for stronger flavors is—apart from the cohort’s desire for novelty—a reflection of the fact that the generation is more diverse than any other, as well as growing international influences like [Hallyu](#) (the term for Korean cultural exports like K-pop, K-dramas, and K-beauty).

- Mexican food ranks as Gen Z’s favorite cuisine, which is why restaurant operators like [Darden Restaurants](#) and CPGs like **Nestlé** and [PepsiCo](#) are expanding their offerings in the space.
- Similarly, Korean flavors like gochujang are becoming grocery mainstays, popping up in products ranging from **Kettle Brand** chips to **Spam**.

**Our take:** While most consumers are looking for ways to save, **Gen Z is ready to spend: 38% plan to splurge on dining out, and 36% expect to treat themselves with grocery purchases**, per an August survey by McKinsey.

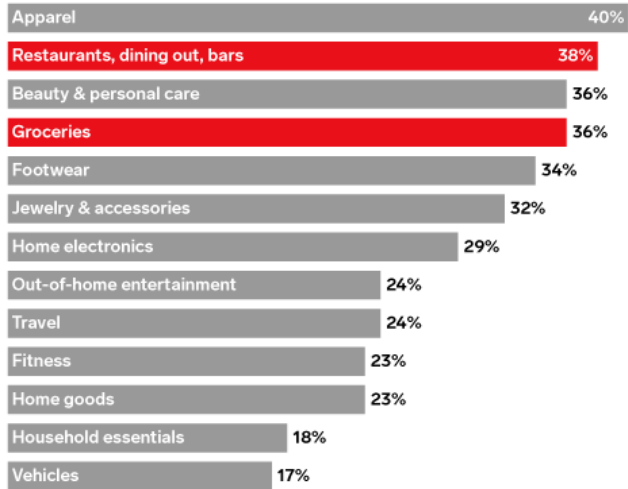
That’s good news for restaurants and CPGs, provided they’re able to satisfy Gen Zers with the types of exuberant and diverse flavor profiles—and colorful products—that resonate

strongly with the cohort.

## US Gen Z Consumers Rank Dining Out, Groceries Among Top Indulgences

% of US Gen Z consumers, Aug 2024

Q: For which products or services do you expect to make more expensive purchases than normal or purchase something to treat yourself?



Note: n=1,684 ages 18-25 who plan to splurge/treat themselves over the next 3 months  
Source: McKinsey & Company, "ConsumerWise Global Sentiment Survey," Aug 23, 2024

351652

EM | EMARKETER