A SNAPSHOT OF THE CHANGING
UK INDIAN RESTAURANT SCENE

How a new wave of restaurateurs are changing our perception of Indian dining. The insatiable demand for Indian food in the UK has created one of our foodservice industry's great success stories. But things are changing. Whilst the traditional restaurant formula remains popular, a new style of Indian dining is fast gaining momentum. This report looks at the developing Indian restaurant scene across the UK and its potential implications and opportunities for mainstream foodservice operators.

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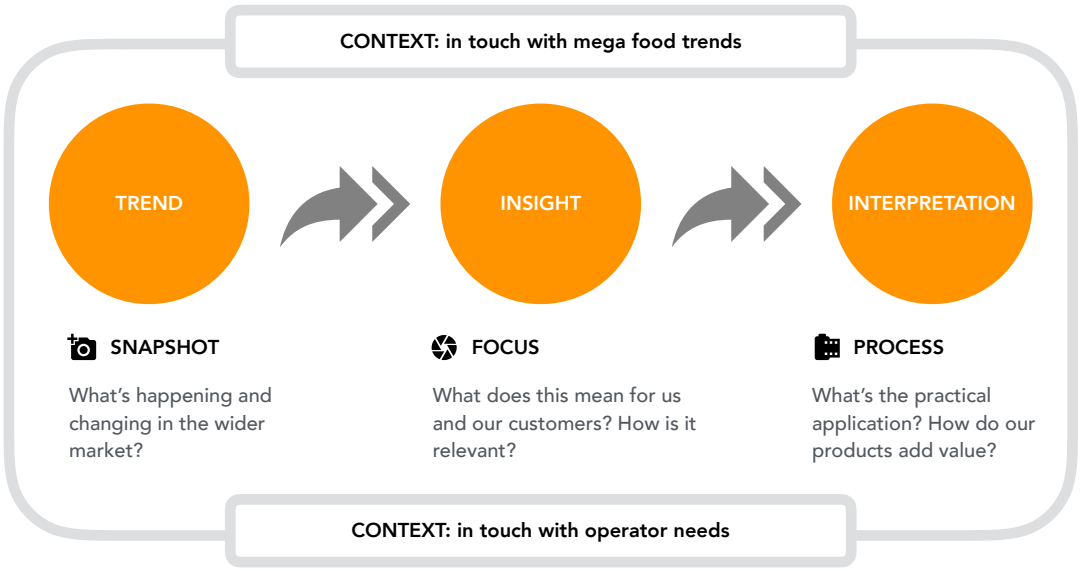
Shaping tomorrow's bakery solutions

At Butt Foods we provide complete bakery solutions for the developing foodservice sector. We are committed to sharing market insights that can inform and help our customers. By staying in tune with this fast-changing market and keeping abreast of trends we can use our expertise to design exciting, quality products that today's consumers want and that keep our customers ahead of their competitors.

Our market insight development process

We have an established process to monitor trends in the market, assess what they may mean for our customers and interpret ways in which our products – existing or new – can provide practical, added value applications that answer consumer demands.



We're always happy to discuss insights and specific opportunities with our customers. Please contact us at sales@buttfoods.co.uk.

The Indian food success story

Indian food is one of the UK's great success stories. Every week, 2.5 million customers eat in one of almost 10,000 restaurants employing 80,000 staff, making the industry worth an estimated £3.6bn (according to Spice Business Magazine).

The number of Indian restaurants in the UK has grown steadily since the 1970s:

1970	1980	1990	1996	1997	2000	2001	2004	2007	2009	2011	2015
1,200	3,000	5,100	7,300	7,600	7,940	8,432	8,750	9,350	9,500	9,400	9,500

(British Hospitality Association)

More than 8 out of 10 Indian restaurants in the UK are Bangladeshi-owned; these are mainly concentrated in the Midlands and south. Cities such as Bradford, Manchester and Glasgow are mainly Pakistani, Kashmiri or Punjabi, giving some variations in food style, but the majority of Indian restaurants around the country offer similar menus that include what have become the main 'staple' dishes and the established meal formula of popadoms and pickles, starters, main courses, rice, naan and (usually) draft lager.

A brief history of curry in the UK

Indian restaurants first appeared in England in the 19th century, catering for Asian seamen and students, and then multiplied in the 1950s and 60s to feed the newly arrived south Asian factory workers. But their boom time only began in the 70s, when they adapted their menus for a working-class, white clientele. By 1982, there were 3,500 Indian restaurants in Britain and 'going for a curry' became an established and popular evening out. Today Bangladeshis run 85-90% of the Indian restaurants in the UK, most of which still rely on tried and tested Anglicised favourites such as vindaloo or tikka masala. Much of the output of these restaurants, whilst tasty, is neither authentic or traditional Indian food.

In 1970 there were about 1,200 Indian restaurants in the UK. Today there are almost 10,000

Where Indian restaurants have led, mainstream foodservice has followed

Eyeing the popularity of Indian food, mainstream operators from pubs to schools to B&I catering have been quick to add 'curries' to their menus, drawing inspiration from the most popular dishes on a typical Indian restaurant menu. What they may not match in authentic flavour or 'Indian restaurant experience' they have made up for in competitive pricing and the advantage that diners in a party who might not fancy Indian food can choose something else from a varied menu. Rather than attempting to 'move Indian food on' from the traditional Indian restaurant offering, mainstream operators on the whole have chosen to replicate the model within their own formats, often using ready-prepared products to deliver it. So there has been a recycling of existing ideas rather than any real innovation.

Research by Butt Foods shows that curry eaters in pubs acknowledge this is a different experience to an Indian restaurant, but accept the compromise for the advantages of price and menu variety

But things are starting to change

After years of consistent growth and a consistent format, things are changing in the Indian restaurant world: the trend of steady growth may be faltering, or even reversing. The ritual of the Indian restaurant experience (poppadoms, warming trays, hot towels etc), once uniquely exotic and exciting for UK diners, now faces fierce and diverse competition. The market is diversifying and a new wave of Indian eateries, with a different approach and different food offerings is getting noticed and gaining momentum. So, what's happening?

1. Have traditional Indian restaurants peaked?

Skills shortages are widely cited as a growing problem for traditional Indian restaurants in the UK. Smaller outlets have complained that the vacancies are changing the food they serve, making them rely on easier-to-make fusion dishes, and warning that frozen food will become more commonplace. In addition, as primarily small, independent family businesses, their continuity depends on second and third generation family members wanting to continue in a trade which demands hard work and unsociable hours. In many cases the children whose parents have worked hard to help them through university now want to become doctors and lawyers rather than work in the family restaurant business. In some cases those who have developed careers in other professions are returning to the restaurant business with a different perspective and a new vision.

'Curry crisis as two Indian restaurants a week are closing down as skills shortage bites Britain is facing an unprecedented curry crisis as ageing chefs shut up shop at a rate of two restaurants a week. And while it is still one the nation's favourite foods, as many as 33,000 people could lose their jobs in the coming years, as traditional curry houses close their doors to customers. At least two businesses are facing the axe each week as first generation restaurant owners from India and Pakistan opt to retire.' (MIRROR Online August 2015)

'Is this the end of the traditional Friday night beer and biryani? Thousands of Indian restaurants and pubs have closed across Britain in the last five years' (Mail Online January 2016)

'Experts have warned that Indian restaurants are closing at an alarming rate in Britain as the industry faces 'the biggest crisis in its history'. Figures published by The Sun on Sunday show that 2,000 curry houses have closed in the past five years all over the country. The decline, which started in 2000, is blamed on the high operating cost and the pressure to keep prices low.' *(Daily Mail Jan 2016)*

One in two curry houses in Britain are set to close within 10 years, it's claimed. The gloomy forecast that approximately 17,000 Indian restaurants will disappear from high streets inside a decade came from Yawar Khan, chairman of the Asian Catering Federation (ACF). *(The Telegraph February 2017)*

2. The market is diversifying, and taking consumers with it

In general terms the Indian restaurant market is developing into three sectors, which we might call 'old school', 'premium' and 'new wave', described in more detail below. A new style of Indian is beginning to take hold.

'Premium' and 'new wave' segments have more in common with each other than with the larger 'old school' sector; some of the premium operators (like JKS Restaurants, who run Gymkhana, Trishna and Hoppers) are also venturing into the new wave segment. In the same way that our enthusiasm for new dining experiences fuelled the growth of Indian restaurants in the first place, now both 'premium' and 'new wave' segments are attracting diners ever-hungry for something different.

‘Old school’ – struggling to change

The traditional Indian restaurant is bound to its menus primarily by the knowledge and skills of its chefs. The common kitchen *modus operandi* of pre-preparing a base gravy as the foundation of most of the restaurant’s main dishes is both a secret of its success and also a limitation to its repertoire. So any food innovation by traditional Indian restaurants tends to be around the same flavour profiles and primarily involves expanding the use of different proteins and cuts (eg duck and venison, lamb shank) from the usual diced chicken and lamb and prawns. Some Bangladeshi restaurants are now declaring specific ingredients like naga chillies and shatkora fruits, but the essence of the repertoire remains basically the same – dry tikkas, wet curries and biryanis, poppadoms and naan breads

The service and presentation of most traditional Indian restaurants relies on a certain amount of formality and ‘ritual’: a fairly rigid menu structure and opening times (usually until late at night), white linen, accepted little rituals like poppadoms and pickles to start, hot towels to conclude. At a time when dining out was a rarer treat, this special attention almost certainly added to the ‘exotic’ experience of Indian dining; but for today’s more experienced and widely travelled diners it now risks being seen as ‘old fashioned’.

"When Indian food came in, it offered a new eating out experience, but it has not moved on beyond that. The Indian restaurant market needs to reinvent itself . It needs a high-spending demographic.” Peter Backman, Horizons FS.

"People want a change. So far, innovation in the Indian restaurant scene has been about ambience – going upmarket and being contemporary – but how much more contemporary can you be than your last neon-style restaurant?” Bobby Patel, Prashad.

There's a lot to be said for 'old school' reassurance, and the momentum and loyalty that these restaurants have established will no doubt retain many customers. A key strength of traditional Indian restaurants is their penetration across the UK, in numbers and even down to smaller towns (where they have become 'the neighbourhood Indian' in the same way as the local pub); this, and their takeaway service, will help to sustain business where there is little alternative choice. But in key locations, alternative, more exciting Indian offerings will increasingly attract adventurous and particularly younger, more 'savvy' and higher spending diners.

'Premium' – opening up the possibilities

As the march of the traditional curry house expanded across the country in the 1970s and 80s, a few 'premium' Indian restaurants, mainly in London, stood out as being different. Restaurants like Veeraswamy's (established 1926) and The Bombay Brasserie (opened 1982), which still prepare classic Indian food served in fine

surroundings and at fine prices. Whilst their appeal was to a different audience than the populist curry houses, their role was to preserve classical and authentic Indian cooking in the UK, as the mainly Bangladeshi-run curry houses offered an increasingly Anglicised and invented menu. These 'premium' restaurants drew on traditional cuisines from around India, employed Indian chefs from the various regions and served up dishes like Xacuti, Malabar curries and Kadais – a world away from the formulaic curry house menus.

Veeraswamy's still claims to 'recreate the extraordinary tastes and flavours unique to the palaces and high-end homes of India, combining an element of surprise with genuine authenticity'.

In the face of curry house ubiquity, this preserving of an original and traditional Indian food culture provided a stepping stone, in London at least, for a new kind of food based on classical Indian cooking but with an adventurous, European twist. Whilst the likes of Veeraswamy's and Bombay Brasserie offered fine dining, here was a chance for ambitious young chefs from India to make a name for themselves by taking it to a more eclectic level, and to Michelin stardom.

The pioneering mainly took place in London in the 1990s, as restaurants like Cinnamon Club, Benares and Café Spice Namaste brought new flavours and style and made stars (and Michelin star-holders) of their chefs. The likes of Vivek Singh, Atul Kochar and Cyrus Todiwala came to their London kitchens by a very different route to their traditional curry house counterparts. They were highly trained, had worked across India and often the Middle East for top hotels like the Taj Group and for most UK diners they brought a completely new, more expansive and more authentic take on what we thought of as Indian food. Naturally, as they established themselves on the UK dining scene, and on TV, they began to develop the distinctive food 'personalities' absent from the more homogenised 'old school' traditional Indian restaurants. Whilst access to the actual dining experience was reserved for a select few, the public exposure of these chefs and their thinking laid the foundation for a broader appreciation of Indian food and a consumer inquisitiveness that prepared the ground for the 'new wave' to come. Diners now knew that there was a wider, more authentic world of Indian food than we'd experienced in our 'local Indian'. And many of us were keen to explore it.

‘New wave’ – exciting, relaxed and authentic

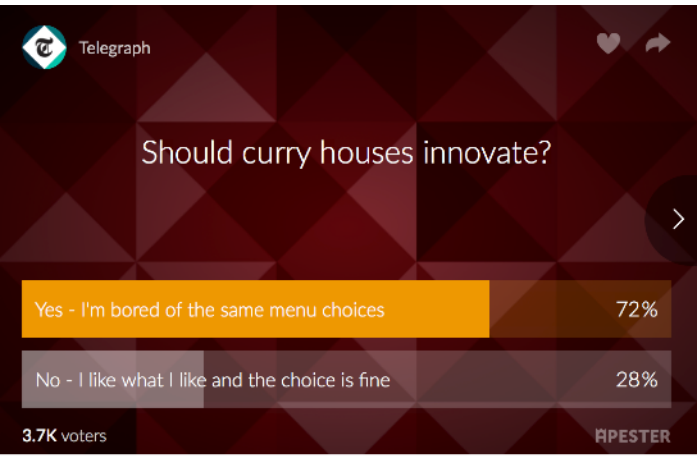
Three things characterise the operators behind the ‘new wave’ of Indian eateries spreading across the UK: **1.** They are savvy entrepreneurs rather than family businesses (The Cat’s Pyjamas is a partnership between a businesswoman, Alison White, and a Michelin starred chef, Alfred Prashed; Mowgli is the brainchild of a barrister and author, Nisha Katona); Hopper’s is part of the ambitious JKS Restaurants Group). **2.** Unlike their ‘premium’ counterparts, the growth of ‘new wave’ Indian is not as London-centric (partly because they don’t rely on London-

based chefs), with operators opening in cities like Leeds, Manchester, Liverpool, Edinburgh, where they have a chance to shine. And **3.** These operators are clearly not just interested in opening one-off eateries, but in building brands and businesses that will become, if they’re not already, chains (Dishoom already have four locations across London, Mowgli have so far opened in Liverpool and Manchester). All signs that this new style of Indian dining is expected to grow.

‘New wave’ Indian taps into some key contemporary dining requirements in ways that the other two Indian restaurant sectors don’t, or can’t. They offer various degrees of all-day dining, depending on location, with menus to suit. Dishoom’s legendary naan-wrapped breakfasts are a key element of their attraction. They offer relaxed environments and service, informal menu structures (snacks, hand-held, small plates, sharing) and unfussy presentation.

The food is ‘authentic’ Indian as opposed to curry house classics. Menu descriptions are quirky and reference Indian origins and provenance (Bombay chip butty, Calcutta tangled greens, Maa’s lamb chops and turmeric chips, Chau Bhaji Chowpatty Beach style, Gunpowder potatoes). There’s much reference to Indian street food and the ways in which menu items are eaten in India, and to regionality. Drinks too are varied and interesting – cocktails, lassis and coolers, pegs, craft beers. Unlike the predictability of a traditional Indian restaurant, the ‘new wave’ food and drinks offering is eclectic, surprising and fun.

Consistently, ‘new wave’ Indian eateries are selling us an experience, sharing with us a story; inviting us into an environment that might be an Indian café or a roadside shack. We can be quick, or we can stay a while. We can eat alone, or meet with friends. Relax, or work. Though it’s only a step off a city high street, the impression is of travelling, exploring, discovering; and after all that, it could easily feel a bit dull to go back to a traditional curry house.



A survey in The Telegraph *(February 2017)* suggests that diners want Indian restaurants to innovate: **72% of respondents said they were ‘bored of the same menu choices’**.

Insight summary: 5 key features of the ‘new Indian’ trend

Authenticity

Most dishes have firm roots in regional Indian food, home-style cooking or the food served in traditional Mumbai cafés, giving them an authenticity that diners may see as more interesting than the well known traditional curry house offerings.

Yoghurt chat bombs at Mowgli

Street food inspired

Much of the inspiration comes from the street vendors of India’s populous cities, and as such many of the dishes are a hand-held format, using a variety of carriers.

Chole Frankie at Dishoom

Flavour-packed

‘New Indian’ dishes offer pronounced flavours and distinctive ingredients that are not typical of traditional curry house menus and offer a variety of taste and texture experiences.

‘Chip butty’ at Mowgli

Small plates and sharing

‘Tapas-style’ smaller portions mean that diners can sample and share a greater variety of dishes in a meal that needn't follow a ‘starter, mains, sides’ format.

Naan sliders by Rola Wala

Extended day dining

Less formally structured extended-day menus offer snacks, small plates and sometimes breakfast too, as well as main meals, attracting a wider range of diners on more occasions throughout the day, and providing a relaxed and casual environment.

Bacon naan at Dishoom

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