Dunkin' Donuts Expands to Europe

TOBY STERLING, Associated Press



This photo provided by Dunkin' Donuts on Monday, May 5, 2014 shows a selection of the doughnuts they sell. The restaurant chain Dunkin' Donuts is testing whether that deep-fried classic American snack, the doughnut, can compete successfully against entrenched competition from some of the world's most famous sweet snacks in their own homelands, including the walfein is Belgium, apple strude in a watris and the Danish in Demark (A.P. Photo Dunkin' Donuts).

AMSTERDAM (AP) — The doughnut, that classic deep-fried American snack, is going forth to do battle with European national treats in their homelands: the Belgian waffle, the Austrian strudel and the Danish ... Danish.

After beating a retreat in the 1990s, American restaurant chain Dunkin' Donuts has been quietly building up its presence in Europe and now has 120 outlets, mostly in Germany but also in Russia, Spain, Bulgaria and most recently, Britain.

Dunkin' Donuts' head of international development Jeremy Vitaro says that the company is now looking to open stores in Denmark, Austria, Belgium and the Netherlands. Despite the weak European economy, it thinks customers have money to spend.

"They're sophisticated, and they're culturally very open (to trying new foods)," he said.

Dunkin' Donuts' mainstays are doughnuts and coffee, along with muffins and more solid lunch foods, such as bagels. Then the chain offers variations to please local tastes.

In London, where the chain has recently opened three shops, it sells a savory snack called "Bacon Buttie," as well as porridge.

Page 1 of 2

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Is that porridge as in, well, oatmeal?

"Hot cereal, yes," Vitaro says. "We also do a Croistrami sandwich, that's a pastrami croissant. So we do localize. We have a curry doughnut in India."

Joost Kling, a Dutch food industry entrepreneur, thinks the chain will face something of an uphill battle in the Netherlands.

"They don't have much name recognition, if any," he said. "I think a lot will depend on their staying power." He wondered about the willingness of the firm to advertise and lose money for a time when stores first open.

Kling has some experience going the opposite direction. His company, "Eat Dutch Waffles," has brought the Dutch delicacy known as "stroopwafel" — a hot waffle cookie filled with syrup — into 1,000 American stores and bakeries.

He guessed around a half of Dutch people know what doughnuts are, but most have only tried low-quality versions on offer in grocery stores.

"A stroopwafel tastes very different when it's fresh, and it's the same for a doughnut," he said. Europeans "won't really have any basis for value comparison: they don't know what makes a good doughnut."

In addition, Europeans may feel attachment to their own local delicacies.

In Belgium, the Brussels waffle is light and fluffy and dusted with powdered sugar, while in Liege they're heavier and sweeter, with caramelized sugar. The "Belgian Waffle" topped with powdered sugar, strawberries and a flourish of whipped cream is probably an American invention. It's popular in Scandinavia.

In Austria, people with a sweet tooth turn to Apfelstrudel — or Danishes.

In Denmark they also eat Danishes, of course. But the Danes in turn call them "wienerbrod," or 'Viennese bread,' since, as lore has it, the treat was introduced by Austrian bakers once upon a time. Cinnamon is a favorite flavor.

Vitaro said Dunkin' Donuts is already interviewing would-be franchise owners and plans to open several stores in each new market by the end of 2014, focusing on major cities first, with "many more" coming in early 2015.

"We believe our basic offer of speed and value and fun will connect well with consumers," he said. "It has so far."

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