

Food chains roll out tastes of the season

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By Bruce Horowitz, USA TODAY

Many shoppers have visions of sugar plums dancing in their, ah, stomachs.

Few know that better than fast-food retailers. They've loaded their menus with sometimes pricey drinks and munchies that look, taste and smell like the holidays.

Starbucks (SBUX) sells gingerbread lattes for \$3.40 — or more. McDonald's (MCD) is peddling eggnog shakes at up to \$2.80. Einstein Bros. (NWRG) sells \$1.29 candy cane-shaped bagels — a dozen for \$14.99. El Pollo Loco is pitching \$1.79 chicken tamales — a traditional Christmas meal that's a hit with Latinos.

At a time when business may be slow, many executives say these seasonal snacks bring with them incremental sales boosts of 1% to 2%, which is huge for the \$125 billion industry.

"People who buy these items are really buying gifts for themselves," says Malcolm Knapp, a restaurant consultant. "It's a way of participating in the season. But you only give this gift seasonally. That's what makes it special."

But there's a downside. Most of these holiday treats are high in fat, sugar and calories — and they're pricey, says Steven Witherly, author of the upcoming book *Why Humans Like Junk Food*. People buy them as "reassuring tranquilizers" during the busy holidays, he says.

Here's a rundown of holiday hits:

- Einstein Bros. The bagel chain has twisted two potato bagels together, added some red dye and powdered sugar and, voilà, the Candy Cane Bagel.

It's the top-selling holiday product the chain's ever created and it's the top-selling product this month, along with plain bagels, says Dan Dominguez, chief operating officer at parent New World Restaurant Group. Top target: workers bringing them to the office.

- Starbucks. Unlike many chains, the holidays are hopping at Starbucks. Out come the eggnog and gingerbread lattes — and the peppermint mochas.

"Put them in red cups with the Starbucks logo, and it evokes the mood of the season," says Rob Grady, vice president of beverages.

The chain is selling \$1.85 gingerbread scones in New York and \$1.85 eggnog mini loaf pastries in Seattle. It also sells \$12.95 1-pound bags of Christmas Blend coffee.

- McDonald's. Besides eggnog shakes, this is the first year it's selling premium coffee in holiday cups, spokesman William Whitman says.

- Dunkin' Donuts. This year's seasonal special: gingerbread lattes for \$1.99 to \$2.99. "They evoke a nostalgic flavor, like being in Grandma's kitchen," says Stan Frankenthaler, executive chef.

- El Pollo Loco. With 50% of its customers Latino, the chicken chain sells seasonal chicken tamales at Christmas. This adds 2% to total sales, estimates Mark Hardison, marketing chief.