WEEKLY WEBINAR
Fridays @2pm CST
invite everybody!

REGISTER HERE:
https://zoom.us/webinar/register/WN_nuj54TxDS0WHURw4Ls-ZAQ
Money Matters
THE COVID-19 SERIES
Episode 3 // 04.17.20
streaming live
Thank you!
All panelists

All panelists and attendees

Alison Watson (Panelist)

To: All panelists and attendees

Type message here...
New Reports

Food Safety During CV19 (interview)

Updated Traffic Briefings & Closures
It’s a poll!
"very concerned" about Coronavirus
"definitely avoid" eating out
What concerns you most?

- Economic Crisis: 38%
- Public Health Crisis: 62%
Believe it's primarily an economic crisis.

Personal concern about Coronavirus:
- Very concerned: 29%
- Somewhat concerned: 50%
- Not concerned: 78%

Willingness to eat out at restaurants:
- No issues at all: 69%
- Nervous, but still would: 47%
- Definitely avoid: 29%
GUIDELINES
OPENING UP AMERICA AGAIN
<table>
<thead>
<tr>
<th>Category</th>
<th>ONE</th>
<th>TWO</th>
<th>THREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vulnerable people</td>
<td>continue to shelter</td>
<td>continue to shelter</td>
<td>resume safe interactions</td>
</tr>
<tr>
<td>Gatherings</td>
<td>less than 10 people</td>
<td>less than 50 people</td>
<td>avoid large crowds</td>
</tr>
<tr>
<td>Workplaces</td>
<td>return in phases; close common areas</td>
<td>close common areas</td>
<td>unrestricted</td>
</tr>
<tr>
<td>Travel</td>
<td>minimize non-essential</td>
<td>resume non-essential</td>
<td>unrestricted</td>
</tr>
<tr>
<td>Full-Service Restaurants</td>
<td>open with strict distancing</td>
<td>open with moderate distancing</td>
<td>open with limited distancing</td>
</tr>
<tr>
<td>Bars</td>
<td>closed</td>
<td>open with reduced occupancy</td>
<td>open with increased occupancy</td>
</tr>
</tbody>
</table>
Chain FSR stores skew toward republican governor states.

- Waffle House
  - 1,976 locations
  - Republican governor stores: 63%
  - Democratic governor stores: 37%

- IHOP
  - 1,724 locations
  - Republican governor stores: 52%
  - Democratic governor stores: 48%

- Applebee's
  - 1,677 locations
  - Republican governor stores: 63%
  - Democratic governor stores: 37%

- Denny's
  - 1,552 locations
  - Republican governor stores: 47%
  - Democratic governor stores: 53%

- Bob's
  - 1,249 locations
  - Republican governor stores: 51%
  - Democratic governor stores: 49%

- Outback Steakhouse
  - 1,221 locations
  - Republican governor stores: 62%
  - Democratic governor stores: 38%

- Olive Garden
  - 867 locations
  - Republican governor stores: 57%
  - Democratic governor stores: 43%

- Red Lobster
  - 726 locations
  - Republican governor stores: 59%
  - Democratic governor stores: 41%
139 locations
Republican governor stores: 28%
Democratic governor stores: 72%

56 locations
Republican governor stores: 31%
Democratic governor stores: 69%
It’s a poll!
<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health risk of getting infected or spreading to others</td>
<td>43%</td>
</tr>
<tr>
<td>Risk of contact / distance to other people</td>
<td>42%</td>
</tr>
<tr>
<td>Risk of contact with staff</td>
<td>34%</td>
</tr>
<tr>
<td>Economic uncertainty / wanting to save money</td>
<td>33%</td>
</tr>
<tr>
<td>I've come to prefer cooking and eating at home since coronavirus</td>
<td>23%</td>
</tr>
<tr>
<td>My favorite restaurants closed permanently during social distancing</td>
<td>21%</td>
</tr>
<tr>
<td>Risk of food safety</td>
<td>17%</td>
</tr>
<tr>
<td>Wanting to eat healthy / lose weight</td>
<td>16%</td>
</tr>
<tr>
<td>I've come to prefer getting restaurant meals to-go or delivered</td>
<td>13%</td>
</tr>
</tbody>
</table>

Once social distancing is eased, what would prevent you from sitting down for a restaurant meal?
53% money the same

47% money is tighter

19% spending the same

34% cut back spending as a precaution
Gen Z: 61%
Millennial: 59%
Gen X: 53%
Boomer+: 23%

Frugal factor:
Among those whose finances have not tightened, ratio of those reducing spending to those who have not.
what are consumers most likely to do with government-allotted cash?
Once the pandemic is behind us, how do you think the US economy will look?

- 24% anticipate as good or better
- 63% anticipate a recession
- 7% anticipate a long-term depression

<table>
<thead>
<tr>
<th>Economic Scenario</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Even stronger than before</td>
<td>12%</td>
</tr>
<tr>
<td>About the same</td>
<td>12%</td>
</tr>
<tr>
<td>Minor recession (not as bad as 2008)</td>
<td>25%</td>
</tr>
<tr>
<td>Moderate recession (similar to 2008)</td>
<td>19%</td>
</tr>
<tr>
<td>Major recession (worse than 2008)</td>
<td>19%</td>
</tr>
<tr>
<td>Depression</td>
<td>7%</td>
</tr>
</tbody>
</table>
consumer sentiment

- 2007: 85.6
- 2008: 63.7
- 2009: 66.3
- 2010: 71.8
- 2011: 67.3
- 2012: 76.6
- 2013: 79.2
- 2014: 84.1
- 2015: 92.9
- 2016: 91.9
- 2017: 96.8
- 2018: 98.4
- 2019: 96.0
- Jan-20: 99.8
- Feb-20: 101.0
- Mar-20: 89.1
- Early Apr-20: 71.0

Legend:
- FINANCIAL CRASH
- COVID-19
It’s a poll!
CV19 Foodservice Business Impact

- LOST
- RETAINED

Data Essential
Coronavirus Foodservice Impact Model
developed by Datassential | revision 4.15.20

view detailed projections and customize your assumptions

<table>
<thead>
<tr>
<th>Operator Spend ($)</th>
<th>Dollar Impact</th>
<th>% Impact</th>
</tr>
</thead>
</table>

| Restaurants | 165.2 | 169 | 136.5 | -28.7 | -32.6 | -17% | -19% |
| QSR | 65.6 | 67.6 | 59.1 | -6.5 | -8.5 | -10% | -13% |
| Fast Casual | 19.2 | 20 | 16.4 | -2.6 | -3.4 | -14% | -17% |
| Midscale | 22.5 | 22.7 | 17.1 | -5.4 | -5.6 | -24% | -25% |
| Casual Dining | 54.6 | 55.4 | 41.2 | -13.4 | -14.2 | -24% | -26% |
| Fine Dining | 3.3 | 3.4 | 2.3 | -0.8 | -0.9 | -24% | -26% |
| Retail Foodservice | 34.4 | 34 | 34.4 | 0 | 0 | 0% | 0% |
| Grocery perimeter | 18.9 | 19.6 | 19.3 | 0.4 | 0.5 | +2% | -2% |
| C-Store | 45.3 | 16.2 | 15.0 | -0.5 | -1.2 | -3% | -7% |
| Education | 12.3 | 11.8 | 10.3 | -1.7 | -2.3 | -15% | -17% |
| K-12 | 10.6 | 10.7 | 9.1 | -1.5 | -1.6 | -15% | -15% |
| C&U | 8.6 | 8.9 | 7.3 | -1.3 | -1.6 | -16% | -18% |
| Business and technical | 4.9 | 4.9 | 4.9 | 0 | 0 | 0% | 0% |
| White collar | 2.0 | 2.1 | 1.4 | -0.6 | -0.7 | -32% | -33% |
| Blue collar | 4.6 | 4.8 | 3.8 | -0.8 | -1.0 | -18% | -22% |
| Travel & Leisure | 28.3 | 29.5 | 18.1 | -10.2 | -11.4 | -36% | -39% |
| Recreation | 9.1 | 9.6 | 5.7 | -3.4 | -3.9 | -37% | -40% |
| Lodging | 17.4 | 18.1 | 11.1 | -6.3 | -7.0 | -36% | -38% |
| Transportation | 1.8 | 1.8 | 1.2 | -0.6 | -0.6 | -32% | -32% |
| Hospital | 17.5 | 17.1 | 17.1 | 0 | 0 | 0% | 0% |
| Hospitals | 9.3 | 9.7 | 8.8 | -0.5 | -0.9 | -5% | -9% |
| Long Term Care | 2.2 | 2.3 | 2.1 | -0.1 | -0.2 | -5% | -9% |
| Senior Living | 3.4 | 3.5 | 3.2 | -0.2 | -0.3 | 0% | 0% |
| Other | 14.6 | 14.5 | 11.2 | -3.4 | -3.8 | -24% | -26% |
| Vending | 9.4 | 9.7 | 6.9 | -2.5 | -2.8 | -24% | -26% |
| Catering | 2.9 | 3 | 2.1 | -0.8 | -0.9 | -28% | -30% |
| Military | 1.1 | 1.1 | 1.0 | -0.1 | -0.1 | -5% | -5% |
| Corrections | 1.2 | 1.2 | 1.1 | -0.1 | -0.1 | -5% | -5% |
| TOTAL | 283.2 | 291.6 | 233.7 | (47.5) | (55.9) | -17% | -19% |

NET IMPACT -20%
Pre-Coronavirus

65% working

Today

31% working from home
17% working just as before
17% laid off or furloughed

35m people
PRE-COVID
- 12% crisis
- 16% concerned
- 72% secure & stable

TODAY
- 30% crisis
- 44% concerned
- 27% secure & stable

POST-COVID
- 10% crisis
- 49% concerned
- 41% secure & stable
Economic Crisis Mode

- Men: 29%
- Women: 30%
- Gen Z: 35%
- Millennials: 37%
- Gen X: 30%
- Boomer+: 19%
- Married: 23%
- Single: 36%
- Kids: 33%
- No Kids: 28%
- <$25K: 25%
- $25-$50k: 25%
- $50-$100k: 18%
- $100k+: 18%
- Urban: 26%
- Suburban: 26%
- Rural: 28%
Grocery shopping today is the opposite of 2008.
The Big Switch?

- **regular brand in stock?**
  - yes: buy regular brand
  - no: other options available?
    - no: skip it
    - yes: try something new
      - bad experience: stick with regular brand
      - good experience: switch to new brand
Shortages have made shoppers price insensitive for grocery essentials if only premium options were available, would you pay the higher price?

- Dairy: 81%
- Meats / protein: 80%
- Produce: 77%
- Coffee & tea: 57%
- Beverages (non-alc): 46%
- Packaged snacks: 44%
- Heat-and-eat foods: 40%
- Prepared foods: 30%
- Desserts / sweets: 26%
- Alcohol: 24%
would pay a premium (average across grocery categories)
FEAR more than finances
More dollars spent stocking up leaves less for restaurants.

**How has your food budget been put under pressure?**

- Stocking up at the grocery store means spending more per trip: 38%
- Prices at the grocery store are higher: 32%
- Having to pay full price for things that normally go on sale at the store: 32%
- Going through food faster because we are home more: 29%
- Spending more trying to eat foods to stay healthy: 20%
- Have less money for food overall: 20%
- Helping friends / family in need: 14%
- Delivery fees are making food / restaurant meals too expensive: 13%
- Some money-saving options I normally count on are unavailable: 13%
76%

“a restaurant’s cleanliness & food safety procedures will always matter more to me now than it did before.”
BrandFingerprints cleanliness ratings (top 200 chains)

81% | Chick-Fil-A
benefits the most from an improved economy

suffers the most if economy worsens

will SPEND MORE if finances improve

will SPEND LESS if finances worsen

Healthy foods
Full-service restaurants
Grocery prepared foods
Eating places with tipping
Grocery snacks
Limited-service restaurants
Heat & eat grocery products
Beverage with meal
Premium grocery brands
Snacks AFH
Coffee AFH
Apps & desserts
Alcohol with meal
Going out for drinks
Behavior gap = +10%

- will SPEND MORE if finances improve
- will SPEND LESS if finances worsen

Graph showing spending behavior across various categories such as 'Healthy foods', 'Full-service restaurants', 'Grocery prepared foods', 'Eating places with tipping', 'Grocery snacks', 'Limited-service restaurants', 'Heat & eat grocery products', 'Beverage with meal', 'Premium grocery brands', 'Snacks AFH', 'Coffee AFH', 'Apps & desserts', 'Alcohol with meal', 'Going out for drinks'.
<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Want to socialize</td>
<td>25%</td>
</tr>
<tr>
<td>Food that I couldn't easily make at home</td>
<td>24%</td>
</tr>
<tr>
<td>Celebrate / special occasions at restaurants</td>
<td>22%</td>
</tr>
<tr>
<td>Try something new and exciting</td>
<td>22%</td>
</tr>
<tr>
<td>Tip servers more generously</td>
<td>22%</td>
</tr>
<tr>
<td>Healthier foods and beverages</td>
<td>17%</td>
</tr>
<tr>
<td>Restaurants that cost more but focus on guest safety</td>
<td>17%</td>
</tr>
<tr>
<td>Order more expensive menu items</td>
<td>9%</td>
</tr>
<tr>
<td>Alcoholic drinks I couldn't easily make at home</td>
<td>9%</td>
</tr>
</tbody>
</table>

once social distancing is eased, what would encourage you to SPEND MORE eating out?
once social distancing is eased, what would encourage you to SPEND MORE eating out?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Want to help restaurants / economy recover</td>
<td>35%</td>
</tr>
<tr>
<td>Want to socialize</td>
<td>25%</td>
</tr>
<tr>
<td>Food that I couldn't easily make at home</td>
<td>24%</td>
</tr>
<tr>
<td>Celebrate / special occasions at restaurants</td>
<td>22%</td>
</tr>
<tr>
<td>Try something new and exciting</td>
<td>22%</td>
</tr>
<tr>
<td>Tip servers more generously</td>
<td>22%</td>
</tr>
<tr>
<td>Healthier foods and beverages</td>
<td>17%</td>
</tr>
<tr>
<td>Restaurants that cost more but focus on guest safety</td>
<td>17%</td>
</tr>
<tr>
<td>Order more expensive menu items</td>
<td>9%</td>
</tr>
<tr>
<td>Alcoholic drinks I couldn't easily make at home</td>
<td>9%</td>
</tr>
</tbody>
</table>
KEY CRITERIA WHEN SELECTING A RESTAURANT

Supporting restaurants that need help

- Mar 19: 18%
- Apr 1: 28%

Locally / independently-owned

- Mar 19: 13%
- Apr 1: 22%
% who have cut some of their staff

- QSR: 51%
- Fast-Casual: 63%
- Midscale: 91%
- Casual Dining: 84%
- Fine dining: 96%
- Healthcare: 13%
- Lodging: 78%
- B&I: 52%
- C&U: 75%
- K-12: 31%
This is a human story.
## How Would You Like to Support Restaurants & Their Staff?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tip servers more</td>
<td>43%</td>
</tr>
<tr>
<td>Visit the restaurant a few extra times</td>
<td>37%</td>
</tr>
<tr>
<td>Round up your bill to the nearest dollar</td>
<td>25%</td>
</tr>
<tr>
<td>Write positive reviews</td>
<td>25%</td>
</tr>
<tr>
<td>Buy gift cards</td>
<td>24%</td>
</tr>
<tr>
<td>Take part in “Restaurant Week” events</td>
<td>20%</td>
</tr>
<tr>
<td>Order more food / drinks than normal</td>
<td>16%</td>
</tr>
<tr>
<td>Bring more people when you go</td>
<td>15%</td>
</tr>
<tr>
<td>“Virtual tip jar” / GoFundMe for affected employees</td>
<td>15%</td>
</tr>
<tr>
<td>Fundraiser event at restaurant</td>
<td>13%</td>
</tr>
<tr>
<td>Add a meal / drink for staff to your check</td>
<td>10%</td>
</tr>
<tr>
<td>Hire restaurant to cater your event</td>
<td>10%</td>
</tr>
<tr>
<td>Option</td>
<td>Percentage</td>
</tr>
<tr>
<td>-----------------------------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Rehire workers laid off / furloughed</td>
<td>46%</td>
</tr>
<tr>
<td>Paid sick leave</td>
<td>33%</td>
</tr>
<tr>
<td>Health benefits for frontline workers</td>
<td>29%</td>
</tr>
<tr>
<td>Bonuses for frontline workers</td>
<td>24%</td>
</tr>
<tr>
<td>Raises for frontline workers</td>
<td>23%</td>
</tr>
<tr>
<td>Offer minimum hours to frontline workers</td>
<td>20%</td>
</tr>
<tr>
<td>Allow frontline workers to earn paid time off</td>
<td>20%</td>
</tr>
<tr>
<td>Consistent schedules to frontline workers</td>
<td>19%</td>
</tr>
<tr>
<td>Subsidize childcare / parental leave</td>
<td>14%</td>
</tr>
<tr>
<td>Automatic tip / service fee</td>
<td>13%</td>
</tr>
<tr>
<td>Pool tips</td>
<td>12%</td>
</tr>
<tr>
<td>Support right to unionize / collectively bargain</td>
<td>11%</td>
</tr>
<tr>
<td>Recruit from marginalized communities</td>
<td>10%</td>
</tr>
</tbody>
</table>
Viewed more as a health crisis (for now)
Money’s tighter today, but there’s optimism
Gen Z hit hardest, but also most willing to spend
Boomers are in the best shape financially
Cleanliness a long-term priority
Show your humanity
BABY BLIP?
COVID-19 has made its way into every facet of our lives, and access to information may feel like a distant dream. The latest news, opinions, and information sources are rapidly evolving, and it’s hard to get a clear picture of what we need to know. We are committed to helping you understand the situation and navigate through these challenging times. On the links below, you will find the latest information and detailed insights on the coronavirus pandemic and any previous work we’ve completed covering Coronavirus.

COVID-19 has brought about an unprecedented event that will shape the industry for years to come. As we are providing all of our Coronavirus related reports and resources, we’re ready, free of charge, to share them with you. We understand customers’ confidence isn’t regained quickly.

Download any report by clicking on the cover image below. Please feel free to share these reports broadly. Help fellow organizations and colleagues throughout the food and beverage industry. By sharing, together, we can all help our industry prepare and bounce back in the most effective way possible.

Let us know how we can help – we’re here for you.

**COVID-19 Report Series**

**COVID-19 Report 1**
3/13/2020 Coronavirus & The Impact on Dining
Download PDF | PDF

Our first report was released with forensic speed in the hopes of getting a real-time perspective on how dining and dining out will be impacted by Coronavirus. We’ll schedule a follow-up report which will analyze consumer trends and how the industry is adapting.

**COVID-19 Report 2**
3/27/2020 Plan & Response
Download PDF | PDF

From March 13th to March 17th, consumer sentiment evolved quickly, often changing on an hourly basis. We remain committed to being a resource for your personal safety during these unprecedented times. Let’s all dig into the latest data and learn how each consumer is adapting.

**COVID-19 Report 3**
3/30/2020 From the Haus
Download PDF | PDF

Some Datassential’s last consumer study in March looked at consumer intentions and how consumer intent dovetails with the growing sentiment of businesses and suppliers from the government’s 14 states that have shifted shipments to food banks and other communities from the food industry. 

datassential.com/coronavirus
Back to the Future
ridiculously relevant lessons from 2008

Friday April 24 @2pm CST

REGISTER TODAY AT:
datassential.com/coronavirus
Tell us what YOU need.
team presentations
brainstorming
supporting data
forecasting
pipeline assistance
or just a friendly face
hello@datassential.com