WEEKLY WEBINAR
Fridays @2pm CST
invite everybody!

REGISTER HERE:
https://zoom.us/webinar/register/WN_nuj54TxDS0WHURw4Ls-ZAQ
Back to the Future
THE COVID-19 SERIES
Episode 4 // 04.24.20
streaming live
Thank you!
COVID-19 Report Series

COVID-19 Report 1
3.12.2020 | Coronavirus & The Impact on Eating
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Our first report was helix with consumers across the nation to get a real-time snapshot of people’s attitudes toward eating and dining out as Coronavirus fear escalates as well as understand the implications for foodservice operators.

COVID-19 Report 2
3.17.2020 | Fear & Response
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From March 10 to March 14, consumer familiarity with and worries about coronavirus rose sharply, with 45% now very concerned for their own personal safety during this pandemic, up from 42% only one week earlier.

COVID-19 Report 3
3.19.2020 | Into The Home
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Since Datassential's last consumer study, the wave of dining room closures across the country gained strength, with many restaurants reducing their hours to bistro and cafe types, and regulations against in-person visits from the White House.

datassential.com/coronavirus
New Reports

Food Safety Part II (interview)

Chain Closure Flash Briefing
2020 FOODSERVICE IMPACT MODEL
It’s a poll!
“very concerned” about Coronavirus

- Mar 10: 41%
- Mar 14: 49%
- Mar 18: 60%
- Mar 22: 61%
- Mar 25: 61%
- Mar 29: 59%
- Apr 1: 67%
- Apr 3: 65%
- Apr 7: 61%
- Apr 10: 64%
- Apr 15: 60%
- Apr 17: 61%
- Apr 20: 60%
“definitely avoid” eating out
very concerned

definitely avoid eating out
What concerns you most?

- ECONOMIC CRISIS: 40%
- PUBLIC HEALTH CRISIS: 60%
1 MAY
<table>
<thead>
<tr>
<th>Category</th>
<th>Support Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public parks / libraries</td>
<td>50%</td>
</tr>
<tr>
<td>Salons &amp; barber shops</td>
<td>43%</td>
</tr>
<tr>
<td>Deli prepared foods area</td>
<td>41%</td>
</tr>
<tr>
<td>Retail stores &amp; malls</td>
<td>38%</td>
</tr>
<tr>
<td>Restaurant dining rooms</td>
<td>30%</td>
</tr>
<tr>
<td>Cafeterias</td>
<td>26%</td>
</tr>
<tr>
<td>Gyms / fitness centers</td>
<td>26%</td>
</tr>
<tr>
<td>Bars / nightclubs / lounges</td>
<td>18%</td>
</tr>
<tr>
<td>Movie theaters &amp; stadiums</td>
<td>18%</td>
</tr>
<tr>
<td>Buffet-style restaurants</td>
<td>16%</td>
</tr>
</tbody>
</table>

**what do you support opening on May 1?**
Much too soon: 44%
Slightly too soon: 28%
Right time: 21%
Slightly too late: 3%
Much too late: 4%
// TRUST TO PROVIDE GUIDANCE ON RETURNING TO NORMAL

- Primary Care Doctor: 52%
- Science & Health Experts: 51%
- CDC: 45%
- WHO: 31%
- FDA: 30%
- State Gov: 28%
- Local Gov: 26%
- Trump: 21%
- Federal Gov: 19%
- Mainstream Media: 17%
It’s a poll!
TRUST COMPLETELY to provide guidance on returning to normal

Democrats vs Republicans:

- Primary Care Doctor: 54% (Democrats), 39% (Republicans)
- Scientists & Public Health Experts: 67% (Democrats), 36% (Republicans)
- CDC: 57% (Democrats), 36% (Republicans)
- WHO: 68% (Democrats), 27% (Republicans)
- FDA: 34% (Democrats), 24% (Republicans)
- State Government: 35% (Democrats), 24% (Republicans)
- Local Government: 31% (Democrats), 24% (Republicans)
- Trump: 41% (Democrats), 23% (Republicans)
- Federal Government: 23% (Democrats), 18% (Republicans)
- Mainstream Media: 22% (Democrats), 14% (Republicans)

Other references:

- CDC
- WHO
- Federal Government
I’m very concerned about my personal risk of exposure.
I have no issues with eating out as it relates to COVID-19.
Once restaurant dining rooms are open, I will go back to dining in at restaurants & bars normally.
Who should oversee when it’s safe to reopen restaurants for dining in?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government</td>
<td>11%</td>
</tr>
<tr>
<td>State / Local Government</td>
<td>39%</td>
</tr>
<tr>
<td>Both</td>
<td>41%</td>
</tr>
<tr>
<td>Neither</td>
<td>9%</td>
</tr>
</tbody>
</table>
If the re-opening timeline and second wave response is mostly political, independent FSRs will be under the greatest pressure.
firefly 500
all stores in Democratic governor states

- Subway
- McDonald's
- Wendy's
- L&L (95%)
- Jamba Juice (76%)
- Famous Dave's (68%)
- Baja Fresh (82%)

all stores in Republican governor states

- Waffle House (77%)
- Newk's (90%)
- Schlotzsky's (87%)
- Longhorn (67%)
- Famous Dave's (68%)
- Baja Fresh (82%)

# of states with locations
WHAT TYPE OF RECOVERY DO YOU EXPECT?

or
FEAR ➔ CAUTION
<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wash my hands more</td>
<td>86%</td>
</tr>
<tr>
<td>Maintain distance from other diners</td>
<td>86%</td>
</tr>
<tr>
<td>Avoid crowded waiting areas</td>
<td>83%</td>
</tr>
<tr>
<td>Avoid &quot;open&quot; food</td>
<td>79%</td>
</tr>
<tr>
<td>Disinfect / wipe down surfaces</td>
<td>66%</td>
</tr>
<tr>
<td>Avoid uncooked foods</td>
<td>64%</td>
</tr>
<tr>
<td>Avoid ordering shared foods</td>
<td>59%</td>
</tr>
<tr>
<td>Maintain distance from own party</td>
<td>52%</td>
</tr>
<tr>
<td>Wear gloves / masks in restaurant</td>
<td>44%</td>
</tr>
<tr>
<td>Bring own utensils / straws</td>
<td>35%</td>
</tr>
</tbody>
</table>

Once restaurant dining rooms reopen, what are you likely to do when eating there?

A very high initial tolerance for inconvenience.
<table>
<thead>
<tr>
<th>Rule</th>
<th>Support (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 feet or more distance required</td>
<td>85%</td>
</tr>
<tr>
<td>Staff at door enforces maximum capacity rules</td>
<td>83%</td>
</tr>
<tr>
<td>Customers required to sanitize hands upon entering</td>
<td>81%</td>
</tr>
<tr>
<td>Customers at the bar must have a seat</td>
<td>81%</td>
</tr>
<tr>
<td>Pickup / takeout customers must wait outside</td>
<td>77%</td>
</tr>
<tr>
<td>No large groups allowed</td>
<td>76%</td>
</tr>
<tr>
<td>For takeout, only 1 person can enter at a time</td>
<td>75%</td>
</tr>
<tr>
<td>Customers stay outside when waiting for a table</td>
<td>73%</td>
</tr>
<tr>
<td>Seating by reservation only</td>
<td>69%</td>
</tr>
<tr>
<td>Seating by pre-order only</td>
<td>67%</td>
</tr>
<tr>
<td>No physical menus (menu boards and mobile menus only)</td>
<td>65%</td>
</tr>
<tr>
<td>Vulnerable customers only during certain hours</td>
<td>63%</td>
</tr>
<tr>
<td>Customers have their temperatures taken before allowed to dine-in</td>
<td>61%</td>
</tr>
<tr>
<td>No cash payment accepted</td>
<td>59%</td>
</tr>
<tr>
<td>Customers required to wear masks when not eating or drinking</td>
<td>52%</td>
</tr>
<tr>
<td>Customers required to show proof of wellness</td>
<td>41%</td>
</tr>
</tbody>
</table>
wanted for safer restaurant dine-in

- Common areas deep cleaned daily: 94%
- Surfaces sanitized after every meal: 94%
- Disinfect or dispose menu each time: 92%
- 6 feet between tables: 93%
- Sanitizer / wipes at every table: 92%
- Staff must take temperature: 90%
- Waitstaff wear masks & gloves: 85%
- Contactless payment: 87%
- Only serve sealed beverages: 81%
which **two** demographic groups most demand restaurants to take safety measures?
Staff must take temperature
6 feet between tables
Waitstaff wear masks & gloves
Surfaces sanitized after every meal
Common areas deep cleaned daily
Sanitizer / wipes at every table
Contactless payment
Only serve sealed beverages
Disinfect or dispose menu each time
Testing required for staff
6 feet distance in common areas
No cloth napkins
Double wash all serveware
Staff at door to manage traffic
No shared bottles on table
Only wrapped utensils used
Pre-order option for dine in
Rehire all furloughed staff

required to consider dining there

women

men
Staff must take temperature
6 feet between tables
Waitstaff wear masks & gloves
Surfaces sanitized after every meal
Contactless payment
Sanitizer / wipes at every table
Only serve sealed beverages
Common areas deep cleaned daily
Disinfect or dispose menu each time
Testing required for staff
6 feet distance in common areas
No cloth napkins
Double wash all serveware
Staff at door to manage traffic
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required to consider dining there
COMBO & VALUE MEALS
as a % of all new chain menu introductions

(2.8%)  (5.9%)  (8.6%)  (15.0%)  (11.1%)  (9.0%)  (8.0%)  (7.4%)  (6.6%)  (5.7%)  (6.5%)  (6.4%)  (6.0%)  (4.1%)  36.9%
COMBO & VALUE MEALS
as a % of all new chain menu introductions

QSR
- 25.2% of new items
  +12.8% vs. historic average

FAST CASUAL
- 8.4% of new items
  +5.0% vs. historic average

MIDSCALE
- 11.5% of new items
  +4.6% vs. historic average

CASUAL DINING
- 10.6% of new items
  +4.9% vs. historic average
JUMBO DEAL

It's a Jumbo Jack, two tacos, fries and a drink for only $3.49 plus tax. That's a serious amount of food for only a little bit of cash.
THE FAMILY FUDD’S DEAL

- two 1/3 burgers with fries and drinks (including domestic beer)
- plus two kids meals with fries and drinks

$20
THE VALUE CONUNDRUM
TAKEN AN ADDITIONAL
40% OFF
ALREADY REDUCED CLEARANCE PRICES!

CLEARANCE
50-80% OFF
regular or original price as ticketed
packaged deals
  short-term fix

value-based innovation
  long-term strategy
average menu size (excluding beverages)

- 2005-2007: menu realignment
- 2008-2009: rise of the new operator
- 2010-2011: smaller menus, but driven by innovation
- 2012-2016: mainstreaming of trends
- 2017-2019: continued growth
### HOW OPERATORS ARE ADJUSTING

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Narrowed / limited your menu offerings</td>
<td>43%</td>
</tr>
<tr>
<td>Added price discounts / coupons / meal deals</td>
<td>17%</td>
</tr>
<tr>
<td>Added large / family-size / bulk size options</td>
<td>12%</td>
</tr>
<tr>
<td>Added more &quot;comfort food&quot; type menu items</td>
<td>11%</td>
</tr>
<tr>
<td>Added refrigerated or frozen &quot;take and bake/heat&quot; items</td>
<td>10%</td>
</tr>
<tr>
<td>Added full meal bundles</td>
<td>9%</td>
</tr>
<tr>
<td>Added more &quot;healthy / better-for-you&quot; type menu items</td>
<td>6%</td>
</tr>
<tr>
<td>Added more &quot;indulgence / treat yourself&quot; type menu items</td>
<td>6%</td>
</tr>
<tr>
<td>Added multi-day meal options</td>
<td>4%</td>
</tr>
</tbody>
</table>
A condensed menu is okay. Consumers get that restaurants will need to make some adjustments, and the vast majority are happy to accept a smaller menu as we ramp back up.

- 76% have no problems with it
- 24% would be disappointed by it
Keep your pipeline full.
It’s a poll!
For foodservice manufacturers, **versatility** will be a winning proposition.
“My husband and I are ordering take-out 2-3 times per week now which is more than we did before COVID-19. We rotate to different restaurants almost every time in an attempt to lend a little support to different businesses.

We don't normally eat out a lot, because we prefer home cooking and, not to brag, but I'm a very good cook.”

- a 71-year old woman in Dothan, AL
This is a human story.
Sanitize your store, not your message.
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datassential.com/coronavirus
And So It Begins
innovation in a freshly opened world

Friday May 1 @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
2020 FOODSERVICE IMPACT MODEL