ONE TABLE
operator insights and the path forward
built through collaboration
200+ Companies, One Table.
Thank you all for coming together to help our entire industry recover!
Research without limitations. Access unmatched insights from the minds of consumers and operators across 130 countries with full language support. Datassential's custom research capabilities provide unparalleled access to consumers and foodservice decision makers anywhere.
THIS STUDY

METHOD
✓ Online survey of 502 operators from Datassential's OPERA panel
  ✓ 253 Restaurant (Commercial) operators
  ✓ 249 On-site operators
✓ Fielded April 30 - May 5, 2020
✓ Crosstabs available:
  ✓ Channel
  ✓ Segment
  ✓ Chain Affiliation
  ✓ Annual Food & Beverage Purchase
  ✓ Staff Size
  ✓ Job Title
  ✓ Kitchen Complexity
  ✓ Current Ordering
  ✓ Region
  ✓ Geotype
  ✓ Open / Closed Status
  ✓ Business Optimism
  ✓ Enrolled in PPP

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60 | FUTURE OF BACK-OF-HOUSE
70 | MANUFACTURER ROLE
Foodservice operators were hit hard, but they are still fighting, and they are ready to get their doors open. Once stay-at-home restrictions are lifted, most operators plan to open immediately or within 2-3 weeks. However, operators think the return to normal traffic will be slow, and don’t expect to hit pre-COVID levels until September or later.

Ways manufacturers & distributors can help operators today:

- Sanitation solutions and training
- To-go packaging guidance
- Help forecasting demand
- Ideas and equipment to execute dine-in safely
- Lower purchase minimums (at least temporarily)
- Versatile or convenience-focused products

PPE and heavy safety accommodations are the new norm (at least for now). Operators are willing and ready to institute what is needed to allow for a safe experience for customers and employees. This will include gloves, masks, socially-distant tables, and extra safety training for at least the next 2-3 months.

Keep up with operators who aren’t slowing down on menu planning. Operators aren’t holding back on innovation and menu planning, and neither should manufacturers or distributors. Most operators are ready to talk about new products in the next 3 months, and they believe it is equally or more important to stay up on the latest trends.
CURRENT SITUATION
Operators are staying open when possible.

While dine-in isn’t an option, only around a quarter saw fit to close their doors during the COVID—19 restrictions. On-site operators are more likely to close, likely driven by their segment’s closure.

<table>
<thead>
<tr>
<th></th>
<th>Restaurants</th>
<th>On-site</th>
</tr>
</thead>
<tbody>
<tr>
<td>closed</td>
<td>22%</td>
<td>34%</td>
</tr>
<tr>
<td>no dine-in, but open</td>
<td>75%</td>
<td>55%</td>
</tr>
<tr>
<td>open for dine-in</td>
<td>2%</td>
<td>10%</td>
</tr>
</tbody>
</table>

status as of april 30 - may 5; most states were not reopened at this time
Healthcare is obviously staying operational, while Lodging, B&I, and C&U are more likely to have closed.

What is your operation's status in response to covid-19 / coronavirus?

- **Open for dine-in**
  - QSR: 0%
  - Fast casual: 4%
  - Midscale: 3%
  - Casual dining: 3%
  - Fine dining: 0%
  - Healthcare: 33%
  - Lodging: 0%
  - B&I: 7%
  - C&U: 6%
  - K-12: 6%

- **No dine-in, but open**
  - QSR: 83%
  - Fast casual: 87%
  - Midscale: 78%
  - Casual dining: 66%
  - Fine dining: 68%
  - Healthcare: 67%
  - Lodging: 55%
  - B&I: 44%
  - C&U: 48%
  - K-12: 61%

- **Closed**
  - QSR: 17%
  - Fast casual: 9%
  - Midscale: 19%
  - Casual dining: 31%
  - Fine dining: 32%
  - Healthcare: 0%
  - Lodging: 45%
  - B&I: 49%
  - C&U: 46%
  - K-12: 33%
Most operations have had to reduce staff.

Healthcare and K-12 segments have continued limited operations during this time and have not had to make as many staff cuts as other segments. Whereas, fine dining and college and universities have been hit hard with a major drop in customer traffic and have had to make more staff cuts than other segments.

**Have you laid off staff in response to COVID-19 / Coronavirus?**

- **37%** No staff cuts due to coronavirus so far
- **12%** We let go of up to 25% of our staff
- **11%** We let go of up to 50% of our staff
- **11%** We let go of up to 75% of our staff
- **29%** We let go of more than 75% of our staff

63% have laid off staff

greater among K-12 (88%) and healthcare (77%) operators

greater among fine dining (51%) and C&U (54%) operators
Full-service restaurants were the largest users of PPP.

With PPP’s strict rehiring and repayment rules, operators didn’t always find it a viable option, since they were not confident they’d be able to put all the employees necessary back to work in time.

35% enrolled in PPP

- 39% of limited-service restaurants
- 53% of full-service restaurants
- 20% of on-site operations
Hazard pay has been difficult for an industry facing so much turmoil.

Some operators have been able to increase wages for their employees during COVID-19 and a little over a third will maintain these increased wages once restrictions are lifted. With many temporary hotel and college closures, these operators are less able to enact hazard pay.

We didn’t / couldn’t raise wages for staff working during COVID-19

greater among lodging (90%) and C&U (92%) operators

23%

We raised wages for staff working during COVID-19

do you plan to maintain these increased wages after covid-19 restrictions are lifted?

Yes 37%

No 63%

did you raise wages for any staff who are working during covid-19 / coronavirus restrictions or provide a "hazard pay" increase?
For operators who faced cuts, they may keep the reduced staffing.

Though many would like to hire back the same number of staff, many may need to consider keeping some amount of reduction. Fine dining establishments are more likely to no longer need the same amount of staff as before COVID-19.

are you planning on having the same amount of staff as before this pandemic?

- 46% Yes, I plan to have the SAME number of staff
- 48% No, I plan to have LESS staff
- 6% No, I plan to have MORE staff

greater among fine dining operators (67%)
We are all in this together.

Operators care about their employees and want to hire them back as soon as possible. This is not an easy time and bringing back employees that have been laid-off may help with employee moral and give them a sense of belonging.

92% I plan to hire the same people back whenever possible

8% I will use this as an opportunity to hire new staff members

Do you plan to hire back the same people that were laid-off or bring in new employees?
Operators are in the fight for the long haul.

Reducing hours or menu variety are the first things operators would do before laying off staff or temporarily closing their operations.

If the COVID-19 / coronavirus restrictions last longer than you expect, which of these options are you most likely to take?

- Reduce operating hours: 43%
- Simplify menu: 43%
- Lay-off staff: 34%
- Temporarily close operation: 16%
- Permanently close operation: 4%
- Will continue business as normal: 27%

- Greater among C&U operators (50%)
- Greater among healthcare operators (40%)
Sanitation and separation are key. Creating a dedicated pick-up area saves customers the stress of having to navigate their biggest worry: other customers. This has been one of the most successful strategies for operators.

**during the COVID-19 restrictions, what is working well with your current takeout and delivery system?**

among restaurants offering takeout or delivery

- Implementing increased sanitation practices 53%
- Creating separate pick-up area 51%
- Maintaining social distancing between staff 36%
- Setting up a system to create distance between customers 36%
- Transitioning to online ordering 22%
- Adding tamper-proof seals / measures 19%
- Transitioning to using third-party apps for ordering 18%
- Switching to new packaging that is easier to sanitize/safer and/or reheat 15%
- Tools to make forecasting number and type of orders easier 10%
Gloves, masks, and safety training will be the new normal for the time being. Operators are adapting to the new normal and are ready to make the changes necessary to keep employees and customers safe. Whether that’s additional employee training or daily temperature checks, they are willing to do what is necessary to protect employees.

**Are you planning to implement any of the following safety measures to protect employees?**

- 80% Providing employees gloves
- 79% Providing employees masks
- 56% Adding additional employee safety training
- 53% Instituting social distancing within the workspace
- 46% Daily employee temperature checks
- 39% Installing clear coverings at registers to provide a barrier
While many restaurants are offering free delivery today, its long-term viability is in doubt.

This is especially true for full-service restaurants, many of whom didn’t have a strong delivery presence in place before COVID-19.
Curbside is new, and it’s here to stay.

Almost all operators had infrastructure for some kind of takeout, but curbside’s safety benefits have made it the hot option for pick-up in the time of social distancing. Most operators who have added it plan to keep the option.

<table>
<thead>
<tr>
<th>Service</th>
<th>Operators offering this as a new service</th>
<th>Operators offering this currently (new or existing)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order ahead + pick up curbside</td>
<td>54%</td>
<td>76%</td>
</tr>
<tr>
<td>Order ahead + pick up inside</td>
<td>8%</td>
<td>68%</td>
</tr>
<tr>
<td>3rd party delivery</td>
<td>14%</td>
<td>58%</td>
</tr>
<tr>
<td>Delivery via restaurant</td>
<td>9%</td>
<td>55%</td>
</tr>
<tr>
<td>Order at counter inside restaurant</td>
<td>5%</td>
<td>50%</td>
</tr>
<tr>
<td>Drive-thru ordering</td>
<td>2%</td>
<td>15%</td>
</tr>
</tbody>
</table>

66% will continue offering when restrictions are lifted (of those who started offering as a new service)
Restaurants were ready for phone orders, but not all have the infrastructure for online. Surveying consumers on their last takeout or delivery order, an equal amount called a restaurant or used the restaurant’s website or app—restaurants should focus on upping their online presence to align with consumer habits.

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call operation directly</td>
<td>96%</td>
</tr>
<tr>
<td>3rd-party app</td>
<td>47%</td>
</tr>
<tr>
<td>Our website</td>
<td>47%</td>
</tr>
<tr>
<td>Our app</td>
<td>19%</td>
</tr>
</tbody>
</table>
Operators think they'll be fully reopened this summer, but don’t expect to be back to normal for a long time. Consumers expect to return to normal in the next 2-3 months, so while operators may not see 100% before September, hopefully they will get some relief before the fall.
RAMP UP
Restaurants are ready to open. On-site segments are likely at the mercy of their larger industry (hospitals, hotels, schools, offices), which may be subject to later openings.

When the shelter-in-place restrictions are lifted, how soon do you plan to fully re-open your operation? (as of May 5, 2020)

- Limited-service restaurants
- Full-service restaurants
- Non-commercial

Answers:

- Immediately
- Within 1-3 weeks
- 1 month
- 2-3 months
- 4+ months
But many restaurants will shave down their hours.
This will help operators manage the decreased demand from consumers for eating out.

38%
Will initially reduce operating hours
33% of limited-service restaurants
47% of full-service restaurants
32% of on-site operations
K-12 is fairly confident they'll be back at school in the fall, but colleges and universities are more hesitant.

Social distancing is more difficult for colleges and universities who have shared living spaces compared to K-12 schools.

<table>
<thead>
<tr>
<th></th>
<th>K-12</th>
<th>C&amp;U</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expect back to normal in fall</td>
<td>65%</td>
<td>38%</td>
</tr>
<tr>
<td>Still not sure</td>
<td>35%</td>
<td>62%</td>
</tr>
</tbody>
</table>

are you planning to be fully open / operational for the upcoming fall 2020 semester?
Most operators will add additional marketing to help get capacity levels back up.

Consumers prefer to receive marketing communications via email and most think of promotions as a positive way to support restaurants and they do not think it’s inappropriate to receive a promotion at this time. BOGO deals, free delivery, and loyalty points are among the most desired promotions.

21% have already made a marketing plan for reopening

44% will make a marketing plan for reopening

35% don’t plan to add additional marketing

do you have a plan for additional / new deals or promotions to help get customers back in your operation once stay-at-home restrictions are lifted? this excludes any deals or promotions you normally offer.
Major operational changes are not on the table yet.

While there will be heavy safety accommodations, operators aren’t interested in fundamental changes like adding a drive-thru or switching to contract management just yet.

90% would not add a drive-thru among QSR and fast casual operators

97% would not consider contract-management among on-site operators
WHAT ARE YOUR TOP CONCERNS WHEN THINKING ABOUT REOPENING YOUR OPERATION?

“As previously mentioned, I worry about customers who won't take social distancing seriously. And they can't exactly wear masks when they're eating and drinking, so won't my restaurant potentially be swirling with virus?? What about my liability for people getting sick when I have so little control over it?”

- Casual Dining, Washington

“Well to start? Top concern is customer perception. I don't want our employees wearing masks if they are not effective (in food service, it's too hard to have your face covered all of the time) but customers will think they are necessary. Adhering to limits of customers in the store will be a challenge. We don't have the payroll to have a bouncer at a pizza place.”

- Fast Casual, Minnesota

“Worried that we will have to be the enforcers of safety. I'm worried that people won't follow the rules and guidelines.”

- Fast Casual, California

“1. Public Health and Safety for staff and customers 2. Being able to follow all regulations 3. Increased staffing costs due to new regulations and having to monitor self-seating areas more often 4. Increased costs in chemicals, sanitizer, and to-go paper products”

- QSR, Indiana

“Concerned I won't have the staff to manage the operation. Some have been laid-off and others have found retail jobs.”

- Lodging, California
SOURCING
Lower demand means operators are ordering less frequently.

This means operators may need smaller order minimums. Limited service restaurants, who were best prepared for dine-in closures as their models are based on to go ordering, are less likely to have changed their ordering frequency than full-service restaurants or on-site operators.

60% Order less frequently than usual
25% My order frequency has not changed
16% Order more frequently than usual

to best manage your inventory during this time, which of the following are you doing?
among open operations
Full-service restaurants and on-sites particularly might benefit from smaller order minimums.

Among open operations to best manage your inventory during this time, which of the following are you doing?

- **Order frequency has not changed**
  - Limited-service restaurant: 37%
  - Full-service restaurant: 15%
  - On-site: 27%

- **Order frequency increased**
  - Limited-service restaurant: 44%
  - Full-service restaurant: 17%
  - On-site: 68%

- **Order frequency decreased**
  - Limited-service restaurant: 19%
  - Full-service restaurant: 13%
  - On-site: 60%
In addition to lower order frequency, operators are ordering smaller cases.

While many have kept up with similar case sizes, many have looked to order smaller cases.

46% I have not changed the case sizes I am ordering

45% Order smaller case sizes than usual

9% Order larger case sizes than usual

to best manage your inventory during this time, which of the following are you primarily doing? among open operations
Many operators are struggling with inventory levels. Unpredictable consumer demand along with food supply shortages have contributed to too much inventory or a mix, though most are not struggling overall to maintain the right amount of inventory.

- 46% the right amount of inventory
- 27% inventory shortage on some items, and overage on others
- 21% too much inventory
- 6% not enough inventory

Among open operations, how would you describe the current inventory level at your operation?

Overall, how would you describe the current inventory level at your operation?
Operators, especially on-sites, are turning to longer-lasting and low-prep items.

Items that have a longer shelf-life have become more appealing to operators and can help them manage unnecessary food waste during this time.

<table>
<thead>
<tr>
<th>ORDERING MORE OF...</th>
<th>Total</th>
<th>Limited-service restaurant</th>
<th>Full-service restaurant</th>
<th>On-site</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frozen items</td>
<td>25%</td>
<td>19%</td>
<td>24%</td>
<td>29%</td>
</tr>
<tr>
<td>Pre-packaged / grab-and-go ready items</td>
<td>25%</td>
<td>16%</td>
<td>8%</td>
<td>43%</td>
</tr>
<tr>
<td>Shelf-stable items</td>
<td>22%</td>
<td>11%</td>
<td>13%</td>
<td>34%</td>
</tr>
<tr>
<td>Dry goods</td>
<td>19%</td>
<td>13%</td>
<td>17%</td>
<td>24%</td>
</tr>
<tr>
<td>Ready-to-use / heat-and-serve items</td>
<td>17%</td>
<td>7%</td>
<td>9%</td>
<td>28%</td>
</tr>
<tr>
<td>Canned / bottled beverages</td>
<td>17%</td>
<td>13%</td>
<td>14%</td>
<td>21%</td>
</tr>
<tr>
<td>Canned goods</td>
<td>16%</td>
<td>7%</td>
<td>12%</td>
<td>22%</td>
</tr>
<tr>
<td>Pre-cut / pre-proportioned items</td>
<td>15%</td>
<td>10%</td>
<td>9%</td>
<td>22%</td>
</tr>
<tr>
<td>Fresh items</td>
<td>11%</td>
<td>17%</td>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>Speed-scratch items</td>
<td>7%</td>
<td>7%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Private-label / distributor-label brands</td>
<td>7%</td>
<td>7%</td>
<td>9%</td>
<td>5%</td>
</tr>
<tr>
<td>Name brands</td>
<td>2%</td>
<td>1%</td>
<td>4%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Currently, during the covid-19 / coronavirus restrictions, which of the following product formats are you buying MORE of? among open operations

significantly higher / lower than total at 95% CL
Operators are shying away from fresh items.

High purchase minimums could be forcing operators to order less frequently, which consequently is driving operators to purchase products with a longer shelf-life. The decline in canned and bottled beverages may be driven by the fact that consumers often do not purchase a beverage with to-go orders because they have beverages at home.

Currently, during the COVID-19 / coronavirus restrictions, which of the following product formats are you buying LESS of?

Among open operations

<table>
<thead>
<tr>
<th>Product Format</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh items</td>
<td>51%</td>
</tr>
<tr>
<td>Canned / bottled beverages</td>
<td>39%</td>
</tr>
<tr>
<td>Canned goods</td>
<td>35%</td>
</tr>
<tr>
<td>Dry goods</td>
<td>33%</td>
</tr>
<tr>
<td>Speed-scratch items</td>
<td>33%</td>
</tr>
<tr>
<td>Pre-cut / pre-proportioned items</td>
<td>31%</td>
</tr>
<tr>
<td>Name brands</td>
<td>28%</td>
</tr>
<tr>
<td>Shelf-stable items</td>
<td>28%</td>
</tr>
<tr>
<td>Frozen items</td>
<td>27%</td>
</tr>
<tr>
<td>Private-label / distributor-label brands</td>
<td>27%</td>
</tr>
<tr>
<td>Ready-to-use / heat-and-serve items</td>
<td>24%</td>
</tr>
<tr>
<td>Pre-packaged / grab-and-go ready items</td>
<td>22%</td>
</tr>
</tbody>
</table>
Though operators are varying product types, they are not changing their sourcing channels.

Though initial research in March showed operators having to shift sourcing when shortages were more abundant, Operators now report that they are ordering from the same channels. Most will continue with the same suppliers they used prior to COVID-19 closures. If needed, operators are using grocery stores slightly more than usual during this time, but this is not a permanent shift.

<table>
<thead>
<tr>
<th>Source Type</th>
<th>Before Restrictions</th>
<th>Currently</th>
<th>After Restrictions Are Lifted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadline / main line distributors</td>
<td>67%</td>
<td>66%</td>
<td>67%</td>
</tr>
<tr>
<td>Specialty / ethnic / local distributors</td>
<td>9%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>Cash &amp; Carry stores</td>
<td>7%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Warehouse / club stores</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Supermarket / grocery stores</td>
<td>4%</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Direct from manufacturers / direct-store-delivery</td>
<td>4%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Local farms / farmers markets</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Third party websites NOT from distributors</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

What % of your overall purchases of food, beverages, and supplies (excluding alcohol and equipment) were from each of the following types of sources?
For the most part, operators are ordering online the same as they did before COVID-19 restrictions. However, for those who have increased their share of orders made online, they are planning to continue using online ordering more often in the future. Operators that have decreased their share of orders made online are unsure whether this will last.

24% Share of online ordering has DECREASED

57% Share of online ordering is THE SAME AMOUNT

19% Share of online ordering has INCREASED

has the overall share of orders you place online changed as a result of the covid-19/coronavirus outbreak? among open operations
Those who have increased their share of orders made online are planning to continue using online ordering more often in the future.

19% Increased their share of online ordering

Do you plan to continue to rely more heavily on online ordering once restrictions are lifted?

- 46% will rely more heavily on online ordering
- 13% will not rely more heavily on online ordering
- 41% say it is too soon to tell
Operators that have decreased their share of orders made online are unsure whether this will last.

Do you plan to continue to rely less on online ordering once restrictions are lifted? among those who decreased their share of online ordering

24% Decreased their share of online ordering

- 25% will rely less heavily on online ordering
- 22% will not rely less heavily on online ordering
- 53% say it is too soon to tell
While price, product availability are still critical, operators have a newfound focus on food safety and out-of-stock alerts. Operators want to know they are not only going to be getting the food they ordered but also getting it on-time. Communication and transparency with sales representatives about shortages and food safety is once again key when ordering food for their operation.

During this time of uncertainty, what are the top 5 most important factors to you when purchasing products for your operation?

among open operations

<table>
<thead>
<tr>
<th>Factor</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>64%</td>
</tr>
<tr>
<td>Products always available (no out of stocks)</td>
<td>56%</td>
</tr>
<tr>
<td>Food safety</td>
<td>50%</td>
</tr>
<tr>
<td>On-time delivery</td>
<td>44%</td>
</tr>
<tr>
<td>Alerts you about upcoming product shortages</td>
<td>35%</td>
</tr>
<tr>
<td>Delivery minimums that meet your needs</td>
<td>34%</td>
</tr>
<tr>
<td>Availability of your preferred brand</td>
<td>33%</td>
</tr>
<tr>
<td>Responsive / solves your issues quickly</td>
<td>27%</td>
</tr>
<tr>
<td>Online ordering is easy</td>
<td>23%</td>
</tr>
<tr>
<td>Premium / high quality products</td>
<td>20%</td>
</tr>
<tr>
<td>Availability of locally sourced products</td>
<td>19%</td>
</tr>
<tr>
<td>Relationship with a salesperson</td>
<td>19%</td>
</tr>
<tr>
<td>Discounts or volume rebates</td>
<td>14%</td>
</tr>
<tr>
<td>True partner helping me manage my business</td>
<td>13%</td>
</tr>
<tr>
<td>Available products to meet environmental concerns</td>
<td>12%</td>
</tr>
<tr>
<td>Has a variety of purchase/shipping options</td>
<td>11%</td>
</tr>
<tr>
<td>Improved sourcing transparency</td>
<td>8%</td>
</tr>
<tr>
<td>Detailed product information</td>
<td>7%</td>
</tr>
<tr>
<td>Selection of private branded products</td>
<td>4%</td>
</tr>
<tr>
<td>Innovative, unique or on-trend food products</td>
<td>4%</td>
</tr>
</tbody>
</table>
Be ready to talk about new takeout packaging.

Not all operators have had to make a packaging switch, but some establishments have made changes to increase safety and adapt to a to-go focused landscape.

Since COVID-19 / coronavirus restrictions began, have you had to switch what types of packaging you are using for to-go/delivery orders? Among open operations, 41% have made the switch to new packaging and 59% have continued using their original packaging.
Sealed feels safe.

Operators who have made the switch to a new packaging have listened to consumer concern and have made the switch to individually sealed utensils, condiments, and containers to assure safety.

<table>
<thead>
<tr>
<th>what types of packaging have you started using now that you were not using before? among those who tried a new to-go packaging type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utensils individually sealed in plastic</td>
</tr>
<tr>
<td>Individual condiment packets instead of cups filled in-house</td>
</tr>
<tr>
<td>Plastic containers with lids over Styrofoam</td>
</tr>
<tr>
<td>Containers with tamper-proof seals</td>
</tr>
<tr>
<td>Plastic bags over paper</td>
</tr>
<tr>
<td>Double bagged containers</td>
</tr>
</tbody>
</table>
“Help with replacing items when [my distributor is] out of stock. Sometimes it’s just not sent, and we have to make last minute changes to menus on the days of delivery.”
- Healthcare, California

“Making sure our order is correct and delivered on time. Communicating about out of stock items and a plan to replace or substitute with a comparable product.”
- Midscale Dining, Texas

“Keep sanitation and safety products in stock. High level of communication about expected shortages. We need this for menu planning!”
- C&U, New Mexico

“Be flexible with deliveries when we open up. Once the stay at home is lifted, we will need product and that could become a problem depending on delivery days, order deadlines etc. So I’m hoping they will be flexible when we open back up.”
- B&I, Illinois

“Honestly, it would be smaller requirements on purchases. I understand it would be hard, but I believe it helps build the relationship if there is a justified "wiggle room" amount. And I mean that about the larger companies obviously.”
- Fine Dining, Pennsylvania
MENU CHANGES
Many operators report that customers have shifted to ordering more comfortable menu staples during COVID-19 restrictions.

- 53% customers are ordering a narrower set of familiar items
- 47% customers are ordering just as they were before

QSR and fast casual operators report customers are more likely to still be trying the full menu, which may be driven by their naturally slimmer menus.
Entrees and sides haven’t seen nearly the hit that upsells have. Beverages, appetizers, and desserts are less commonly ordered to-go by consumers, and operators are feeling the strain on the decrease in these higher-profit menu items.

During the COVID-19 / coronavirus restrictions, do you feel like customers are ordering more, less, or the same amount of the following types of items?

- **Entrees / main dishes**
  - More of these: 18%
  - The same amount of these: 55%
  - Less of these: 28%

- **Side dishes**
  - More of these: 9%
  - The same amount of these: 51%
  - Less of these: 40%

- **Non-alcoholic beverages**
  - More of these: 8%
  - The same amount of these: 44%
  - Less of these: 48%

- **Appetizers**
  - More of these: 11%
  - The same amount of these: 39%
  - Less of these: 50%

- **Desserts**
  - More of these: 13%
  - The same amount of these: 36%
  - Less of these: 51%

- **Alcoholic beverages**
  - More of these: 12%
  - The same amount of these: 30%
  - Less of these: 58%
However, operators are still planning and adapting their menus. While many have had to turn from their menus to deal with staff and safety concerns, most operators are still steaming ahead with menu planning, either continuing to innovate as usual or reframing to accommodate COVID-19 challenges. Looking back to 2008, operators who use this time to adapt and innovate will have the strongest chance of emerging strongly.

- 18% using COVID-19 as an opportunity to try new things
- 38% reframing planning around changes caused by COVID-19
- 44% paused menu planning to focus on other things
New COVID-19 offerings have staying power.

For many of these new offerings, more than half of operators who added them will continue to offer after restrictions lift. Family meals and meal kits especially may become a standard offering.

<table>
<thead>
<tr>
<th>New offering</th>
<th>New offering will continue offering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family size meals / bulk meals</td>
<td>31%</td>
</tr>
<tr>
<td>Meal kits / take and bake</td>
<td>25%</td>
</tr>
<tr>
<td>Discounts</td>
<td>22%</td>
</tr>
<tr>
<td>Alcohol mixes / to-go alcohol</td>
<td>19%</td>
</tr>
<tr>
<td>Pantry / grocery items</td>
<td>16%</td>
</tr>
<tr>
<td>Donation fund for business/staff</td>
<td>13%</td>
</tr>
<tr>
<td>Gift cards</td>
<td>12%</td>
</tr>
<tr>
<td>Non-food, non-perishable items</td>
<td>11%</td>
</tr>
</tbody>
</table>

Among those who added offering
Operators plan to maintain or reduce their menus.

Virtually no operator is increasing menu size. With menu sizes staying somewhat consistent to pre-COVID-19, distributors and manufacturers may see reduced orders start to pick back up. For those considering reducing menu size, it can help operators manage cost and staff requirements while traffic returns to normal.

- 35% plan to reduce the number of items on their menu
- 4% plan to increase the number of items on their menu
- 61% plan to offer the same number of items on their menu

**do you plan to increase or decrease your menu size at all after covid-19/coronavirus and stay-at-home restrictions are lifted?**
Fine dining, lodging, and business operators are most likely to see a menu reduction. These operators have been hit hard during this time; menu reduction may be beneficial to their businesses for the time being.

<table>
<thead>
<tr>
<th></th>
<th>QSR</th>
<th>Fast casual</th>
<th>Midscale</th>
<th>Casual dining</th>
<th>Fine dining</th>
<th>Healthcare</th>
<th>Lodging</th>
<th>B&amp;I</th>
<th>C&amp;U</th>
<th>K-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>plan to reduce the number of items on their menu</td>
<td>21%</td>
<td>9%</td>
<td>37%</td>
<td>39%</td>
<td>54%</td>
<td>15%</td>
<td>49%</td>
<td>58%</td>
<td>48%</td>
<td>22%</td>
</tr>
<tr>
<td>plan to offer the same number of items on their menu</td>
<td>71%</td>
<td>87%</td>
<td>61%</td>
<td>56%</td>
<td>46%</td>
<td>73%</td>
<td>47%</td>
<td>42%</td>
<td>50%</td>
<td>73%</td>
</tr>
<tr>
<td>plan to increase the number of items on their menu</td>
<td>8%</td>
<td>4%</td>
<td>1%</td>
<td>6%</td>
<td>0%</td>
<td>12%</td>
<td>4%</td>
<td>2%</td>
<td>2%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Do you plan to increase or decrease your menu size at all after COVID-19 / coronavirus and stay-at-home restrictions are lifted?

Significantly higher / lower than total at 95% CL.
However, operators aren’t reducing daypart offerings. While operators may shave off an hour here or there, they aren’t making drastic changes (like cutting breakfast). This will give operators more flexibility operationally as the market returns to normal.

![Pie chart showing the percentage of operators planning to offer the same number of dayparts, fewer dayparts, or more dayparts.]

- No change to dayparts: 79%
- Fewer dayparts: 19%
- More dayparts: 2%

**Question:** Do you plan to offer the same number of dayparts (breakfast, lunch, dinner, etc.) you offered before COVID-19 restrictions?
Operators are not slowing down on trend watching.

While some operators are planning to take a step back and focus on the core, most plan to keep hold their course or even turn up their innovation pipelines. They believe that consumers will bounce back from COVID-19 changes.
FUTURE OF FRONT-OF-HOUSE
Help operators navigate dine-in safely.

At this point, operators have adapted to safely navigate delivery and pick-up, but many are still very concerned about their ability to offer a safe dine-in experience.

<table>
<thead>
<tr>
<th>Service</th>
<th>Easy to Do Safely</th>
<th>Difficult to Do Safely</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order ahead and carryout/pick-up</td>
<td>93%</td>
<td>7%</td>
</tr>
<tr>
<td>Order ahead and pick-up curbside</td>
<td>87%</td>
<td>13%</td>
</tr>
<tr>
<td>Order at the counter and carryout</td>
<td>84%</td>
<td>16%</td>
</tr>
<tr>
<td>Delivery through establishment website</td>
<td>79%</td>
<td>21%</td>
</tr>
<tr>
<td>Delivery through third-party app</td>
<td>74%</td>
<td>26%</td>
</tr>
<tr>
<td>Drive-thru ordering</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>Dine-in</td>
<td>45%</td>
<td>55%</td>
</tr>
</tbody>
</table>
Wipe it down and wear gloves.

It is no surprise that operators are planning on changing their sanitation protocols by wiping down surfaces, providing masks for staff, and removing items with many touch points. Operators will likely be looking for help with sanitation solutions and PPE. However, they are less likely to go as far as requiring customers to order ahead or make reservations prior to dining in.

### Front-of-House Changes

<table>
<thead>
<tr>
<th>Change</th>
<th>Already Doing / Planning To Do This</th>
<th>Would Consider It</th>
<th>Unlikely To Do It</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visibly wiping down and sanitizing tables, kiosks, menus, handles, etc.</td>
<td>85%</td>
<td>11%</td>
<td>4%</td>
</tr>
<tr>
<td>Providing and requiring employees to wear gloves</td>
<td>73%</td>
<td>17%</td>
<td>11%</td>
</tr>
<tr>
<td>Removing condiments bottles from tables</td>
<td>58%</td>
<td>27%</td>
<td>15%</td>
</tr>
<tr>
<td>Providing disinfectant wipes or sanitizer for customers</td>
<td>55%</td>
<td>31%</td>
<td>14%</td>
</tr>
<tr>
<td>Adding signage / communication that explains sanitation methods</td>
<td>54%</td>
<td>31%</td>
<td>15%</td>
</tr>
<tr>
<td>Providing and requiring employees to wear masks</td>
<td>51%</td>
<td>31%</td>
<td>18%</td>
</tr>
<tr>
<td>Switching to individually wrapped or portioned silverware, condiments, etc.</td>
<td>41%</td>
<td>31%</td>
<td>28%</td>
</tr>
<tr>
<td>Offering contactless payment</td>
<td>35%</td>
<td>32%</td>
<td>32%</td>
</tr>
<tr>
<td>Disposable menus</td>
<td>29%</td>
<td>24%</td>
<td>47%</td>
</tr>
<tr>
<td>Sanitizing customers’ credit cards after handling them</td>
<td>19%</td>
<td>32%</td>
<td>49%</td>
</tr>
<tr>
<td>Requiring reservations to manage crowd</td>
<td>19%</td>
<td>22%</td>
<td>59%</td>
</tr>
<tr>
<td>Disposable table linens / coverings</td>
<td>17%</td>
<td>20%</td>
<td>64%</td>
</tr>
<tr>
<td>Require order ahead (contactless ordering)</td>
<td>16%</td>
<td>23%</td>
<td>62%</td>
</tr>
<tr>
<td>Providing sink for customer use outside the bathroom</td>
<td>7%</td>
<td>16%</td>
<td>77%</td>
</tr>
</tbody>
</table>

For each of the front-of-house changes listed below, after COVID-19 stay-at-home restrictions are lifted would you say you are?
Tables will be removed to remain 6 feet apart.
Operators are on board with capacity regulations and will remove tables in order to meet them. This is especially true of full-service restaurants whose patrons dine together for longer amounts of time.

<table>
<thead>
<tr>
<th></th>
<th>TOTAL</th>
<th>LSR</th>
<th>FSR</th>
<th>ON-SITE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will have the same number of tables</td>
<td>36%</td>
<td>42%</td>
<td>28%</td>
<td>40%</td>
</tr>
<tr>
<td>Will remove tables (to maintain a 6-feet distance between tables)</td>
<td>61%</td>
<td>51%</td>
<td>71%</td>
<td>57%</td>
</tr>
<tr>
<td>Not planning to offer dine-in options at all</td>
<td>4%</td>
<td>8%</td>
<td>2%</td>
<td>4%</td>
</tr>
</tbody>
</table>
Everything will be sanitized more.

Areas such as dine-in tables, door handles, and bathrooms with many different touch points will be cleaned more frequently. Restaurant operators, who focus on customers sitting and eating, will plan to be more diligent in their sanitizing protocols.

![Sanitizing areas chart]

- **Dine-in tables**: 78%
- **Entryway / door handles**: 76%
- **Bathrooms**: 67%
- **Tabletop condiments**: 57%
- **Host stands / server stations**: 52%
- **Self-serve stations**: 52%

greater among restaurant operators (82%)

greater among restaurant operators (79%)

greater among on-site operators (61%)

*Will you sanitize any of the following areas in the front-of-house more thoroughly or more frequently?*
Operators are considering reworking self-serve areas.

Similarly, condiments may come only on request as operators look to manage safety and limit the amount of surfaces a customer interacts with. Manufacturers may want to highlight individually portioned options for condiments, creamers, etc. instead of bulk. Operators aren't overwhelmingly in favor of raising menu prices either, which is a smart move with customers facing a problematic economy.

<table>
<thead>
<tr>
<th>Menu Change</th>
<th>Already Doing / Planning To Do This</th>
<th>Would Consider Doing This</th>
<th>Unlikely To Do This</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stop offering self-serve areas</td>
<td>41%</td>
<td>26%</td>
<td>33%</td>
</tr>
<tr>
<td>Offer condiments by request only</td>
<td>36%</td>
<td>38%</td>
<td>25%</td>
</tr>
<tr>
<td>Focus on menu items with greater profit</td>
<td>28%</td>
<td>41%</td>
<td>30%</td>
</tr>
<tr>
<td>Add menu items optimized for delivery / takeout</td>
<td>25%</td>
<td>39%</td>
<td>36%</td>
</tr>
<tr>
<td>Increase menu prices slightly</td>
<td>19%</td>
<td>33%</td>
<td>48%</td>
</tr>
<tr>
<td>Shorten menu to only most popular items</td>
<td>18%</td>
<td>40%</td>
<td>42%</td>
</tr>
<tr>
<td>Add family-sized / multi-meal options</td>
<td>16%</td>
<td>29%</td>
<td>55%</td>
</tr>
<tr>
<td>Eliminate option for customization</td>
<td>11%</td>
<td>33%</td>
<td>56%</td>
</tr>
<tr>
<td>Add many new menu items</td>
<td>8%</td>
<td>27%</td>
<td>64%</td>
</tr>
</tbody>
</table>
Salad and hot bars may be the first to go.

Consumers find salad and hot bars to be less sanitary and operators are aware of this. While these stations may be a thing of the past, but you may still see beverage dispensers and fountains with more upkeep than usual.

<table>
<thead>
<tr>
<th>(among those who offer)</th>
<th>WILL DISCONTINUE SELF-SERVE</th>
<th>WILL CONTINUE SELF-SERVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salad bar</td>
<td>66%</td>
<td>34%</td>
</tr>
<tr>
<td>Hot bar</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Condiment station</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>Beverage station</td>
<td>33%</td>
<td>67%</td>
</tr>
<tr>
<td>Coffee / tea dispensers</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Soda fountain</td>
<td>26%</td>
<td>74%</td>
</tr>
</tbody>
</table>

After COVID-19 / Coronavirus restrictions end, will you continue to offer the following SELF-SERVE areas in your operation (where the customers can serve themselves)?
FUTURE OF BACK-OF-HOUSE
Operators are updating sanitation back of house.

Midscale, who were among the hardest hit by restrictions, are more likely to implement new safety protocols. Meanwhile, fast casual, who have already had to adapt to counter-order and prep format are less likely to need a sanitation update. Additionally, K-12 may feel its sanitation standards are already strict enough.

55%
I plan to change sanitation protocols in back-of-house

greater among midscale restaurants (69%)

45%
I do not plan to change sanitation protocols in back-of-house

greater among K-12 (65%) and fast casual (65%)

Do you plan on changing any of your sanitation protocols in the back-of-house?
Midscale, lodging, C&U, and casual dining operators are most likely to make the back of house sanitation changes.

**Question:** Do you plan on changing any of your sanitation protocols in the back of house?

**Responses:**
- Planning to change sanitation:
  - QSR: 54%
  - Fast casual: 69%
  - Midscale: 63%
  - Casual dining: 54%
  - Fine dining: 50%
  - Healthcare: 67%
  - Lodging: 53%
  - B&I: 65%
  - C&U: 65%
  - K-12: 35%

- Not planning to change sanitation:
  - QSR: 46%
  - Fast casual: 31%
  - Midscale: 37%
  - Casual dining: 46%
  - Fine dining: 50%
  - Healthcare: 33%
  - Lodging: 47%
  - B&I: 35%
  - C&U: 65%
  - K-12: 65%
after covid-19 restrictions are lifted, do you think you’ll need more convenience-focused products to help simplify prep or accommodate reduced labor?

62% I will not need more convenience-focused products
greater among casual dining (74%) and fine dining (86%) operators

38% I will need more convenience-focused products
greater among on-site operators (51%)

Convenience-focused products are more attractive to many operators. Many operators may make the switch to convenience-based products, especially casual and fine dining establishments, nearly half of commercial operators are interested in products that can help simplify prep or accommodate reduced labor.
K-12, Lodging, and B&I all may be facing labor concerns, which may drive them to more convenience-focused products.

Are you considering switching any bulk items you purchase to single serve for efficiency or reduced employee contact with ingredients?
have you considered switching to a commissary-kitchen model to lighten operations on-site at your operation after covid-19 restrictions are lifted?

84% I have not considered switching to a commissary-kitchen model
16% I have considered switching to a commissary-kitchen model

Commissary kitchens may get some traction.

While most plan to keep restaurants open and running as normal, a few operators considering a shared kitchen space.
B&I and C&U operators are most heavily considering a commissary-kitchen model.

Have you considered switching to a commissary-kitchen model to lighten operations on-site at your operation after COVID-19 restrictions are lifted?

<table>
<thead>
<tr>
<th>Category</th>
<th>Considering a commissary-kitchen</th>
<th>Not considering a commissary-kitchen</th>
</tr>
</thead>
<tbody>
<tr>
<td>QSR</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Fast casual</td>
<td>87%</td>
<td>13%</td>
</tr>
<tr>
<td>Midscale</td>
<td>18%</td>
<td>82%</td>
</tr>
<tr>
<td>Casual dining</td>
<td>13%</td>
<td>87%</td>
</tr>
<tr>
<td>Fine dining</td>
<td>17%</td>
<td>83%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>12%</td>
<td>88%</td>
</tr>
<tr>
<td>Lodging</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>B&amp;I</td>
<td>27%</td>
<td>73%</td>
</tr>
<tr>
<td>C&amp;U</td>
<td>16%</td>
<td>84%</td>
</tr>
<tr>
<td>K-12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Demand for single-serve may spike.
Many are considering making the switch due to safety concerns. Restaurants are less likely to turn to single-serve; however, on-site operators may switch out to single serve due to their higher levels of grab and go offerings.

37% I have considered switching some bulk items to single-serve
greater among on-site operators (47%)

63% I will continue ordering items in bulk
greater among restaurant operators (72%)
On-site operators, including lodging, business, and college, are most likely to make the switch to single-serve.

- **QSR**: 42% consider switching some bulk items to single-serve; 58% continue ordering items in bulk.
- **Fast casual**: 20% consider switching; 80% continue ordering in bulk.
- **Midscale**: 31% consider switching; 69% continue ordering in bulk.
- **Casual dining**: 29% consider switching; 71% continue ordering in bulk.
- **Fine dining**: 22% consider switching; 78% continue ordering in bulk.
- **Healthcare**: 37% consider switching; 63% continue ordering in bulk.
- **Lodging**: 51% consider switching; 49% continue ordering in bulk.
- **B&I**: 49% consider switching; 51% continue ordering in bulk.
- **C&U**: 62% consider switching; 38% continue ordering in bulk.
- **K-12**: 37% consider switching; 63% continue ordering in bulk.

**Question**: Are you considering switching any bulk items you purchase to single serve for efficiency or reduced employee contact with ingredients?
HOW DO YOU PLAN ON CHANGING YOUR SANITATION PROTOCOLS IN THE BACK-OF-HOUSE?

“Temperature testing... Must wear mask... Must wear gloves... Stricter uniform cleanliness... Stricter personal hygiene... New chemicals for dish scullery... New hand-washing logs... New, timed cutting board sanitizing... Bleach soak for cutting boards & clean up...”
- Healthcare, Idaho

“We will sanitize all high touch areas every two hours, run utensils through the dishwasher every two hours, wear disposable aprons that can be changed when changing jobs (such as prepping mise en place items prior to service hours and then switching to line work). We will take temperatures of all staff when they first arrive for each shift as well as ask if anyone has symptoms or been around someone who has.”
- Casual dining, Michigan

“More frequent cleaning of surfaces. Having supplies and sanitation supplies easier to access and busy times. Have a person dedicated to this duty.”
- Midscale dining, California

“Hospital - hosts are cleaning transport carts after each delivery run to nursing units. Prep cooks are sanitizing stations more frequently. Cooks are wearing masks. Food deliveries are kept out of our kitchen stocking area for a period of time and sanitized prior to bringing in, breaking down and stocked. Stockers are washing hands after breaking down boxes prior to putting foods away in kitchen.”
- Healthcare, Wisconsin

“Shortening cleaning intervals on checklists, putting lead cook in charge of enforcing tighter sanitation procedures.”
- Casual dining, Illinois
MANUFACTURER ROLE
Low purchase minimums and sanitation solutions are most helpful. Operators are feeling the strain of decreased traffic—when possible, lower purchase minimums could help relieve financial pressure. Solutions in sanitizing and safety are also a welcome relief for operators navigating the new COVID landscape.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Help Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower purchase minimums</td>
<td>40%</td>
</tr>
<tr>
<td>New solutions that increase sanitation / safety</td>
<td>35%</td>
</tr>
<tr>
<td>Purchasing discounts or rebates</td>
<td>34%</td>
</tr>
<tr>
<td>Cleaning supplies / food safety</td>
<td>33%</td>
</tr>
<tr>
<td>Flexible product delivery schedules</td>
<td>28%</td>
</tr>
<tr>
<td>Preorder out-of-stock delivery items for later</td>
<td>26%</td>
</tr>
<tr>
<td>Different sizes or packaging configurations</td>
<td>24%</td>
</tr>
<tr>
<td>Help to get best to-go packaging</td>
<td>23%</td>
</tr>
<tr>
<td>Help letting my customers know we're open</td>
<td>15%</td>
</tr>
<tr>
<td>Flexible payment terms</td>
<td>15%</td>
</tr>
<tr>
<td>Training / guidance on sanitation / food safety</td>
<td>14%</td>
</tr>
<tr>
<td>Resources to track updates / industry response</td>
<td>11%</td>
</tr>
<tr>
<td>Social media assistance and promotion</td>
<td>10%</td>
</tr>
</tbody>
</table>

what help would you like from manufacturers & distributors?
“GFS has been sending out updates as to supply chain issues, specials on their inventory items, tons of information regarding state and federal guidelines. US Foods has had some amazing webinars available, such as re-opening your business, cash flow calculators, as well as making consultants and chefs available to help those businesses that stayed open to pivot from in store dining to carry out and delivery.”
- Casual Dining, Michigan

“My rep has made a point to send out emails to let us know of items that are low in stock. He has also shown what could be used as a substitute for those items that are low in stock. He has personally been on the phone with me to let me know what is available and in what quantities.”
- Healthcare, Missouri

“The sales staff have all gone extra steps to address shortages and offer alternatives. Brutal honesty has been the best policy to allow future planning and I have appreciated this a lot. Shortages and restrictions have and continue to impact negatively.”
- Midscale Dining, Georgia

“Our primary vendor does not show what items are 'out of stock' when looking for items. I have to place my order and then receive an order confirmation which lists 'out of stock' items. Then I have to try and find substitutes that will work in my setting. Finally, I have to call customer service to see if the substitutes are 'in stock'. It has become a much more time-consuming process to finalize my order. Why can’t they set up an item list to indicate items not available at this time?”
- K-12, Massachusetts

“They are running out of more products that they never did before. There are less people in their offices to communicate with us about changes in orders and their inventory or lack there of.”
- Fine Dining, California
help is noticed and appreciated.

"I think [manufacturers and distributors] have done wonderfully considering there was no precedent for how to handle this."
Name brands aren't going anywhere, and versatile products will have an edge.

Operators are dedicated to maintaining their pre-COVID quality standards and few would consider switching to cheaper brands or distributor brands. However, versatility or time-saving features may be a differentiator, along with safety or sanitation focused products. Manufacturers should highlight all the ways their products can be used.

**What things are you more likely to do for your operation going forward as a result of the COVID-19 restrictions?**

- Ordering more sanitation-focused products: 57%
- Order versatile products that can be used in multiple ways: 33%
- Order time-saving / convenience products: 21%
- Order smaller item sizes: 16%
- Switch to cheaper versions of the brands I currently use: 12%
- Order distributor / private label products rather than brand name: 10%
- Order larger item sizes: 6%
- Order directly from a manufacturer vs. going through my distributor: 5%
- Order brand name products rather than distributor / private label: 4%

97% agree it will be equally or more important to purchase consumer-trusted brands after COVID-19 restrictions are lifted.
Operators need help forecasting demand.

Figuring out order frequency and the appropriate staff levels are difficult for operators as consumers’ away from home eating habits have shifted. There are also concerns around the cost of to-go packaging and 3rd party delivery fees. Additionally, operators need help upselling and maintaining product quality during delivery.

during the COVID-19 restrictions, what challenges are you having with takeout and delivery?

among restaurants offering takeout or delivery

- I never know how many orders will come in and when, hard to prep for the day 55%
- It is hard to figure out how much staff I need to keep up with demand 54%
- Cost of to-go packaging / materials 43%
- Delivery app commissions are too expensive 35%
- Reliability of third-party delivery drivers 35%
- Upselling (getting customers to add drinks, desserts, appetizers, etc.) 32%
- Ensuring product quality / integrity when consumer receives product 30%
- Maintaining distance between customers 29%
- Figuring out how to maintain social distancing between staff 28%
- Issues continually sanitizing work and customer spaces 27%
- Creating a menu that's suitable for takeout / delivery (e.g., foods that travel well) 27%
- Figuring out how to maintain social distancing between staff and customers 26%
- Finding packaging that is easier to sanitize / safer 20%
- Third-party delivery apps are difficult to use 12%
- Difficulties setting up online ordering capabilities 11%
You still have time to defend (or capitalize) on an operator’s product shifts.

Operators are in an extreme state of flux. Only a third are sure they’ll return to using their legacy products. Since operators are still in the midst of planning the return to 100% capacity, there is still time to sway operators if they had to switch products during COVID-19.

Once stay-at-home orders are lifted and business starts to return to normal, will you return to using all your original product, or continue using some of the new products you’ve needed to use?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return to using all your original products</td>
<td>34%</td>
</tr>
<tr>
<td>Continue using some of the new products you’ve needed to use</td>
<td>24%</td>
</tr>
<tr>
<td>Too soon to tell</td>
<td>42%</td>
</tr>
</tbody>
</table>
Fast casual and B&I operators are most undecided about product switching.

Once stay-at-home orders are lifted and business starts to return to normal, will you return to using all your original product, or continue using some of the new products you’ve needed to use?

<table>
<thead>
<tr>
<th>Category</th>
<th>QSR</th>
<th>Fast casual</th>
<th>Midscale</th>
<th>Casual dining</th>
<th>Fine dining</th>
<th>Healthcare</th>
<th>Lodging</th>
<th>B&amp;I</th>
<th>C&amp;U</th>
<th>K-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>too soon to tell</td>
<td>45%</td>
<td>54%</td>
<td>37%</td>
<td>35%</td>
<td>28%</td>
<td>33%</td>
<td>43%</td>
<td>36%</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>switch to new</td>
<td>20%</td>
<td>22%</td>
<td>28%</td>
<td>21%</td>
<td>28%</td>
<td>29%</td>
<td>32%</td>
<td>25%</td>
<td>25%</td>
<td>15%</td>
</tr>
<tr>
<td>return to original</td>
<td>35%</td>
<td>24%</td>
<td>35%</td>
<td>44%</td>
<td>44%</td>
<td>38%</td>
<td>25%</td>
<td>18%</td>
<td>39%</td>
<td>44%</td>
</tr>
</tbody>
</table>
when will you be ready to talk to foodservice manufacturers about new products & innovation?

53% are ready within the next 90 days

- Today: 9%
- Late May: 10%
- June: 15%
- July: 19%
- September: 22%
- October or later: 26%
questions? want to learn more?
email onetable@datassential.com