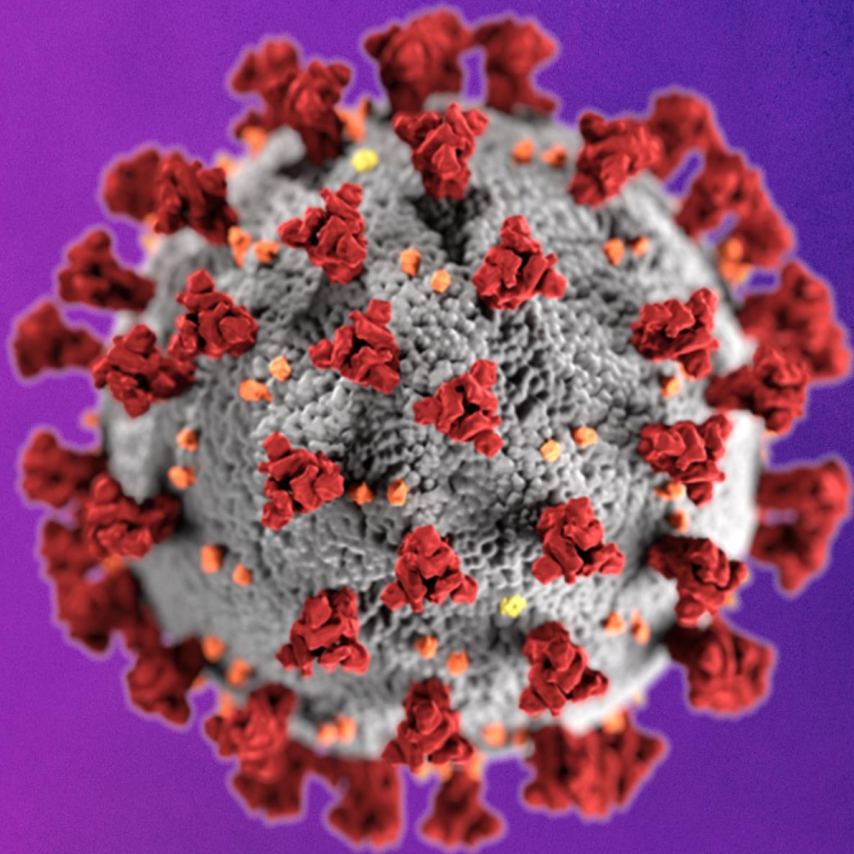




COVID-19

report 3: INTO THE HOME
3.19.20



Cases of COVID-19 continue to mount as the virus spreads and more tests become available. The country is moving toward total shutdown, and many retailers have gone from limited hours to closing up shop. Grocery stores are struggling to staff up and keep shelves stocked, as people continue to panic buy. Amid all the chaos, restaurants are getting creative and finding new ways to keep their businesses afloat.

With food front and center in this crisis, can restaurants still play a role in feeding our stomachs and hearts?

Here are highlights from Datassential's latest wave of Coronavirus research, fielded March 17-18 with 1,000 US consumers.



KEY EVENTS SINCE THE LAST FIELDING ON MARCH 14

March 15

Mandatory restaurant & bars closures in IL, CA, NY, OH, MA, WA
Delivery, drive-thru, and takeout only in those states
CDC recommends prohibiting gatherings of 50 or more for eight weeks
29 states have already announced school closures
Fed cuts interest rates to nearly zero to support the economy

March 16

White House guidelines include avoiding restaurants, bars, and gatherings of 10+ people
The DJIA drops 2,997 points, its largest single-day point decline in history
France institutes a 15-day national lockdown
Canada closes its border to all non-citizens + U.S. citizens
Chains move off-premise, including McDonald's, Taco Bell, Chipotle, and others

March 17

Bay Area counties rolls out a "shelter in place" order, requiring residents to stay home
White House explores direct payment to citizens as part of a proposed \$850B stimulus
President Trump hosts conference call with CEOs of major restaurant chains
West Virginia becomes 50th state to report a confirmed case of infection

March 18

The NRA projects the foodservice industry could lose up to \$225B and 7 million jobs
United States + Canada close their shared border to "non-essential traffic"
The EU restricts entry for people from outside the bloc of 30 countries

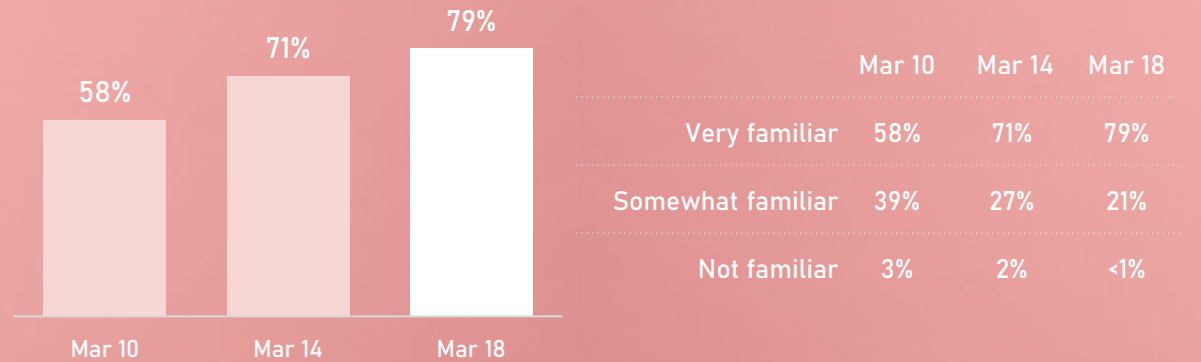


Concern spikes dramatically, again.

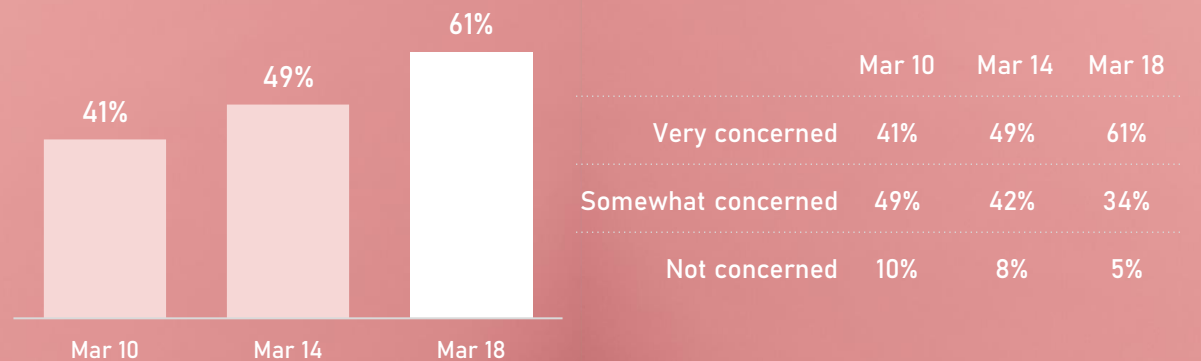
Awareness of Coronavirus in the US has effectively reached 100%, with 79% indicating they are very familiar with the situation. This represents a further increase of 8 points in four days, and a 13-point increase in just over one week.

Moreover, the public's concern over the virus has risen sharply, climbing a massive 12 points in just four days. As of March 18, 61% of consumers are very concerned about the risk, and are "hugely worried about my own personal health and plan to do whatever I can."

very familiar with Coronavirus



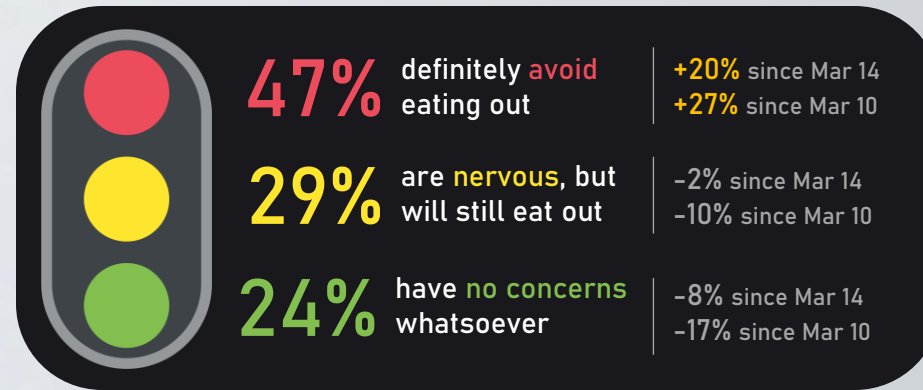
very concerned with Coronavirus



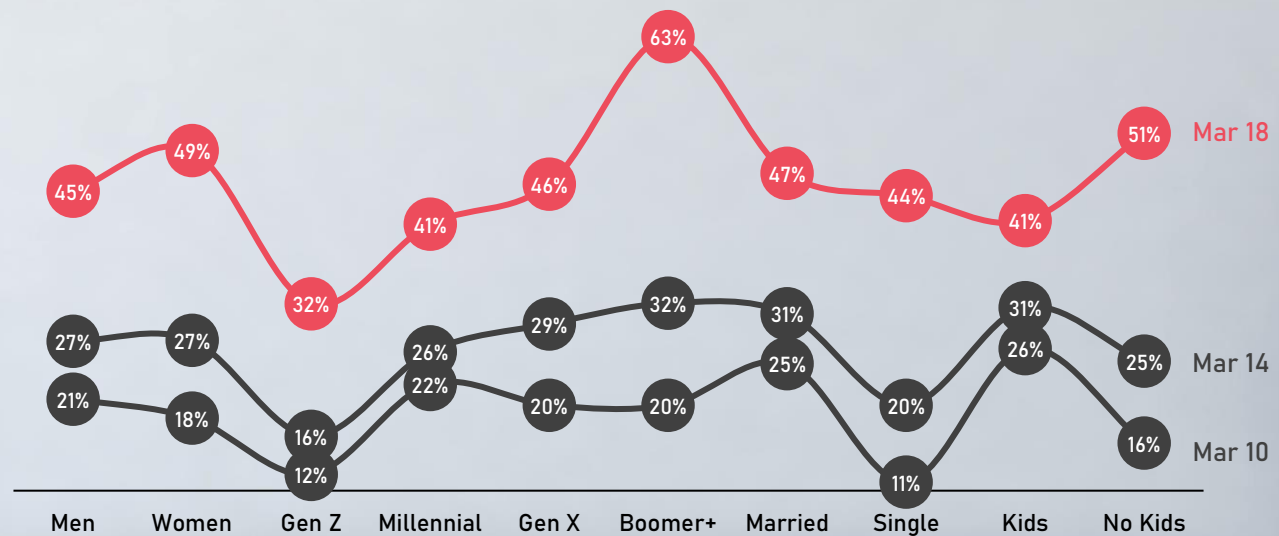
A massive shift away from restaurants begins.

The four-day period leading up to Mar 18 witnessed an enormous increase in consumers that avoid eating out entirely, jumping 20 points to 47%. It's hard to overstate the magnitude of this increase, with now roughly half of consumers abandoning restaurants en masse.

The spike is particularly pronounced among **Boomers**, jumping a massive 31 points in four days. Where fear had previously peaked with parents, it's now most prevalent in the aging population.



DEFINITELY AVOID EATING OUT





People fear Coronavirus in part because it's invisible.

Consumers have limited tools to determine which restaurants are safe and which environments may put them at risk.

Frequent, visible, and overt sanitation is highly recommended, but beyond this people want transparency to free them from the unknown.

Restaurants should be overly explicit in describing their safety & sanitation policies, from how often surfaces are disinfected to the precautions taken in food handling.

Cleanliness beats taste (which normally never happens).

In regular times, “great taste” is universally the thing consumers care most about when selecting a restaurant. But these aren’t normal times, and perhaps somewhat predictably, cleanliness today sits alone at the top of the list. This is nonetheless remarkable — people care more if a restaurant is clean than if it tastes good.

Consider the marketing implications. Rather than the beautiful food visuals that restaurants have long relied upon to promote themselves, it may be more effective to lead with a message around sanitation and safety.

considerations when selecting a restaurant

Clean & sanitary	45%
Great taste	36%
Nearby	36%
Value	34%
Speed	23%
Healthy	22%
Variety	19%
Supporting restaurants that need help	18%
Good service / staff	14%
Locally / independently-owned	13%



IF YOU OWNED A RESTAURANT, WHAT WOULD YOU DO TO GAIN THE PUBLIC'S TRUST?

"I would explain how I am screening my staff for the coronavirus and training them in food safety/handling. I would show how I am disinfecting my work surfaces and keeping takeaway counters/containers free from the virus. I would minimize customers and unscreened people from coming to the premises and touching things."

- a 42-year old woman in Hull, MA

"I would want them to know that all of my employees are healthy and don't have the COVID-19. I would tell them that I still appreciate them supporting my restaurant in this time of change. I would want them to know that I will be there to make sure they have foods to eat from their favorite restaurant."

- a 69-year old woman in Boonville, NC

"Have my employees get tested for the virus, if possible, and get a certificate or proof of health. Once I have this along with my employees, I'd advertise or post these notices at my restaurant. Most definitely, I'd offer deals to encourage the people to patronize my restaurant."

- a 51-year old woman in Corona, CA

"If I were the owner of a restaurant now, I would have signage stating that all areas of the restaurant are sanitized multiple times during the day and after-hours. I would check (or have someone check) the temperature of each employee when they reported for their shifts. I would tell every employee that if they did not feel well that they need to stay home (and they would be paid for it). I would also be as transparent as I could to let the general public know what I was doing to mitigate COVID-19."

- an 70-year old woman in Sun City West, AZ

"I would keep in contact with my regular customers through text messages and emails. I'd proudly advertise (radio, TV and newspapers) how I and my staff are keeping the restaurant pristinely sanitary. I would make ordering easy — online — and have their food ready on time (or deliver it promptly)."

- a 28-year old man in Passaic County, NJ



Don't forget the drive-thru.

Most consumers would still consider getting food from the drive-thru, often viewing their car as an additional protective barrier from other people. For restaurants that don't have a drive-thru already, consider creating a makeshift version if possible – but make sure adequate social-distancing dynamics are in place to minimize or eliminate touch points.

In this current climate of coronavirus, which of the following would you be very willing to do?

	Total	Gen Z	Millennial	Gen X	Boomer+
Drive-thru	57%	45%	54%	55%	69%
Pickup (order ahead)	53%	40%	49%	55%	61%
Delivery	47%	46%	52%	49%	40%
Curbside (bring to car)	46%	37%	47%	45%	51%
Takeout / carry out	46%	32%	42%	48%	53%
Walk-up window	38%	29%	42%	36%	43%



Boomers, who are most fearful of COVID-19, are particularly open to the drive-thru and pick-up orders.



Many ideas can work.

There are lots of things restaurants can do to encourage people to order delivery, takeout, or curbside. Consumers are generally open to an array of options, so for restaurants it's about finding the one that they can execute both safely and well.

what would motivate you to get food from restaurants during this time of Coronavirus?

Order takeout / delivery today and get a discount to dine-in later	38%
Take-and-bake items	31%
Portion of your order donated to support people affected by Coronavirus	29%
Multi-serving / family-sized items that can be eat over several meals	29%
Expanded delivery zones	28%
Expanded delivery hours	25%
Containers of your favorite restaurant's sauces, dressings, or seasonings	25%
Groceries from the restaurant	24%
1 free roll of toilet paper or bottle of hand sanitizer with your order	21%
Gift card purchases	21%

Stocking Up Isn't Just About Groceries

When ordering from a restaurant, almost half would purchase extra meals for the days to come. The desire for multiples is stronger among females and Millennials and Gen X.

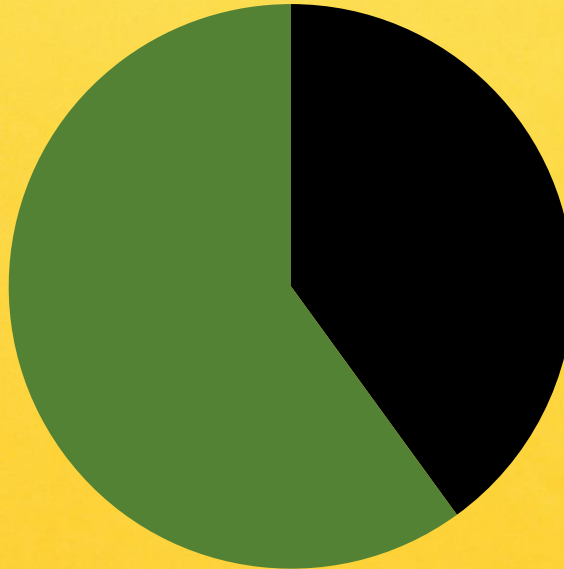


Single Serve Trumps Family Sized

Whether due to fear of sharing or the desire for convenience, customers willing to order multiple meals prefer food in individual containers. This is the clear choice across all demographics.

60%

multiple portions of
food in their own
individual containers



40%

bulk or family-sized serving
trays of food, to be eaten
over several meals

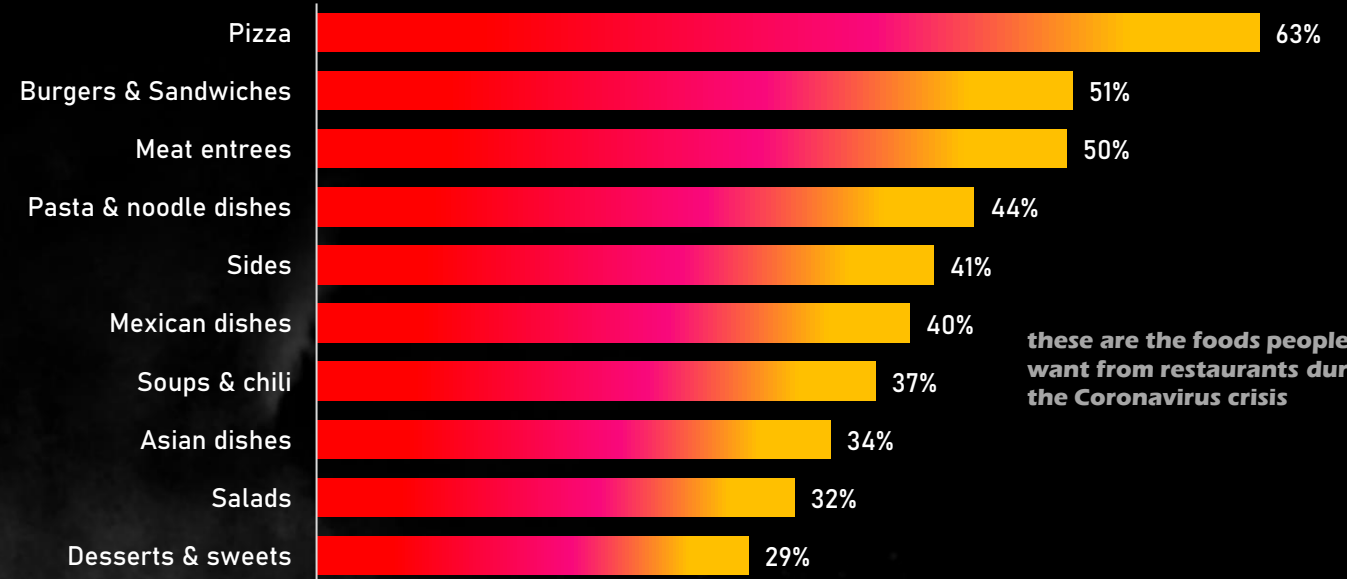


Pizza tops the list.

It's one of America's favorite foods, and it's in the pole position of what people want to order from restaurants during the COVID-19 crisis.

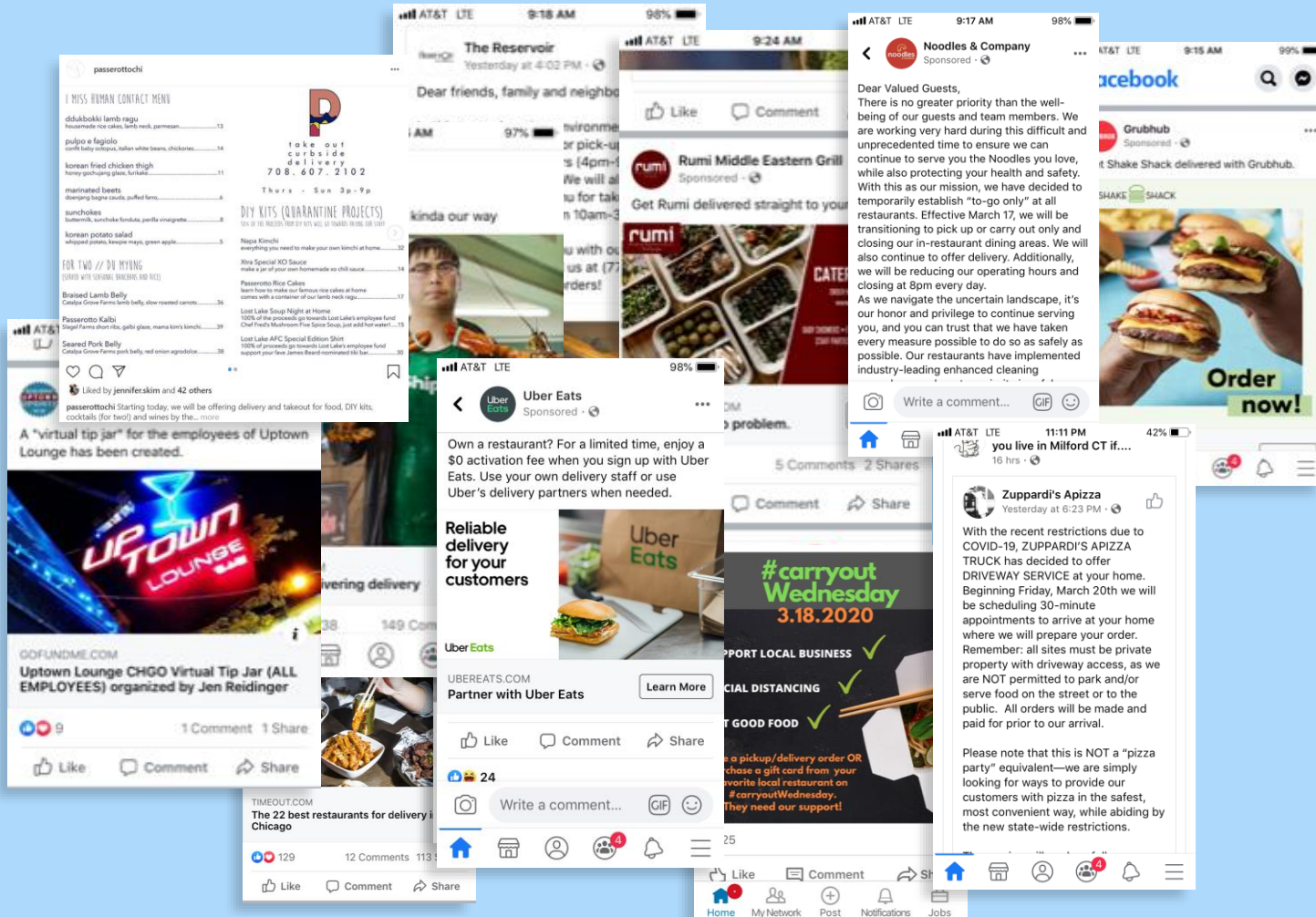
And while it starts with pizza, it certainly doesn't end there. Consumers are also hungry for burgers, meat entrees, pastas, and other options.

Our advice for now is to stick with the favorites. Many who in the past might "live to eat" have shifted to an "eat to live" mindset. Focus on popular menu items and show the customer that they're totally safe.



Operators are trying their hardest.

Despite drastically reduced traffic and ever-growing uncertainty, operators from large chains to local independents are trying their hardest to provide for consumers, many of whom are staying indoors. Across all social channels, restaurants are partnering with delivery services, announcing hours for curbside pick-up, jarring batches of freezer-ready soups and braises — or even crafting up DIY kits for making kimchi at home, as is the case for Chicago-based Passerotto. Creativity and proactiveness help in times of crisis, and consumers are responding in kind.





HOTSHOT REPORT

Get additional consumer and operator detail in Datassential's future COVID-19 reports, available for download at datassential.com/coronavirus.



Help us help you.

As the Coronavirus situation continues to evolve rapidly, just tell us what you want to know. If it's something that benefits the food industry, we'll do our best to incorporate it into an upcoming report and provide the results to everyone for free.

And if you have a need that's specific to your company or brand, we would love to design a custom research solution for you.

[click me](#)