

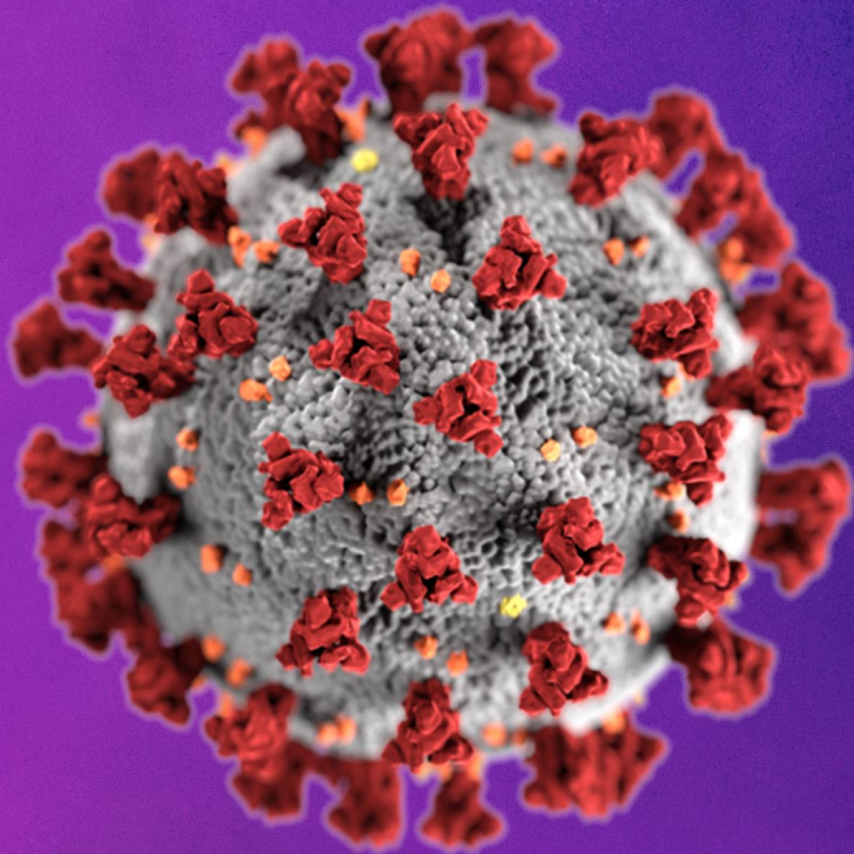
# COVID-19

report 11: **REINVENTION**

4.10.20







Americans have been warned to prepare for a rough few weeks as cases of COVID peak and fatalities hit record numbers. The CDC issued a recommendation that everyone wear masks in public to help reduce transmission from asymptomatic spreaders. Social distancing pleas remain urgent, and experts recommend limiting trips to the grocery store, to one person, once a week. Grocery stores in turn, are getting innovative with data to help navigate the crisis, using technology to limit the number of shoppers in store and partnering with grocery delivery services and food manufacturers to better predict supply and demand. But stores are still challenged to keep shelves stocked, leaving many Americans without basic staples. While restaurants continue their struggle, for those that remain open, necessity has been the mother of invention. As they continue to look for new revenue streams to stem dine-in losses, some have discovered innovative ways to help solve consumer problems. Big chains and some independents are now selling groceries along with their carryout. DIY meal kits and “take and bakes” are easing some of the pain of meal planning and preparation.

The challenges of keeping good food on the table continue to be a frequent narrative throughout the COVID crisis. How can restaurants innovate and tap into the latest trends to remain a regular part of their customers’ repertoire?

Here are highlights from Datassential's latest wave of Coronavirus research, fielded April 3 with 1,000 US consumers.





# KEY EVENTS SINCE THE LAST FIELDING ON APRIL 3

April 4

The city of Wuhan, China, cautiously begins to open up after two-month lockdown

The number of Coronavirus cases in the U.S exceeds 300,000

President Trump: "This week and the next will be the toughest," and there will be "a lot of death"

April 5

CDC releases instructions and video tutorials for making cloth face masks

British Prime Minister Boris Johnson admitted to hospital for Coronavirus test

Churches across the US hold Palm Sunday services despite stay-at-home orders

African Americans account for 30% of Coronavirus cases in Illinois

April 6

All Los Angeles residents can now apply for coronavirus testing

California suspends evictions and sets \$0 bail for misdemeanors and lower-level offenses

Wisconsin Supreme Court blocks governor's order to postpone primary election

April 7

President Trump considers placing hold on U.S funding to the WHO

More than 12,000 people have died from coronavirus in the U.S

New York City mayor says half a million New Yorkers are unemployed — or soon will be

ICE will consider freeing vulnerable detained immigrants



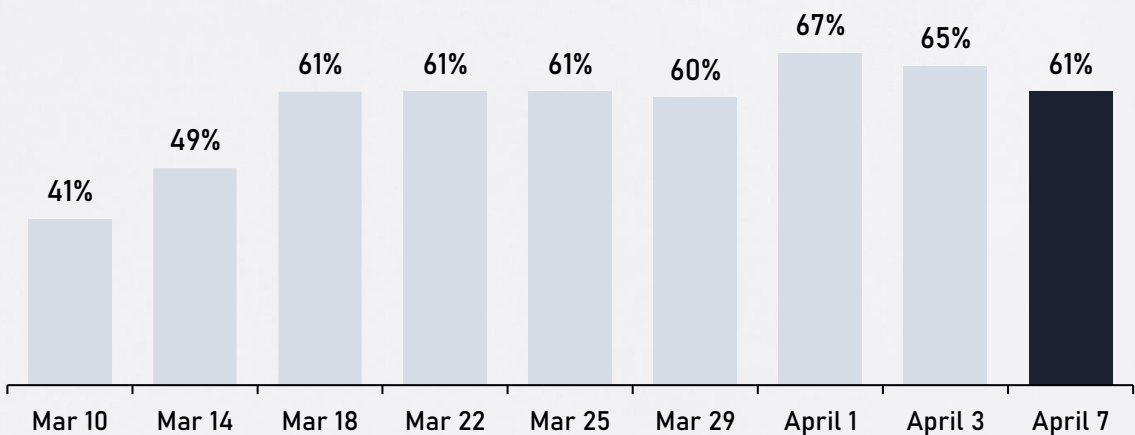


# Concern has stabilized, after jumping significantly on grim projections for COVID cases and fatalities.

Concern has returned to late March levels after a jump in the past week. Almost two-thirds of Americans are very concerned and hugely worried about their own personal health. The increase was likely due to the March 31 briefing at the White House, in which public-health officials shared an official forecast of the US seeing millions of Coronavirus cases throughout this crisis.

very concerned with Coronavirus

	Mar 10	Mar 14	Mar 18	Mar 22	Mar 25	Mar 29	Apr 1	Apr 3	Apr 7
Very concerned	41%	49%	61%	61%	61%	60%	67%	65%	61%
Somewhat concerned	49%	42%	34%	35%	34%	33%	28%	28%	34%
Not concerned	10%	8%	5%	4%	5%	7%	5%	7%	6%

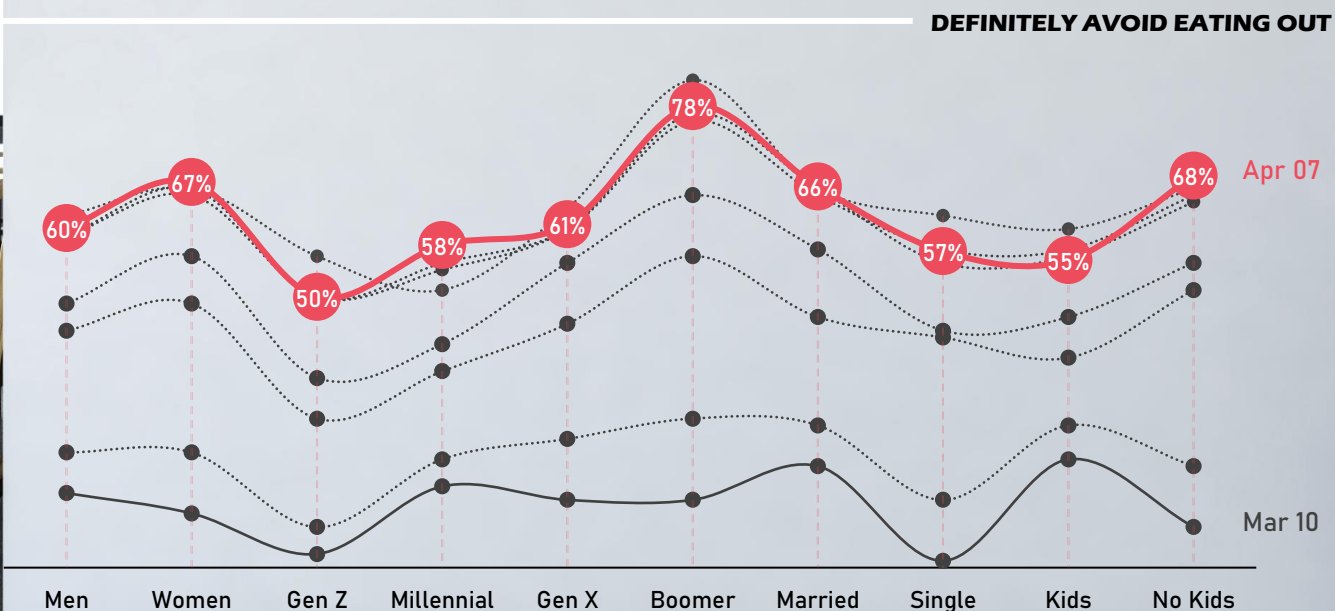






## Avoidance of eating out has likely hit its peak.

With the exception of South Dakota, all states have now banned dine-in. Avoidance has remained steady in the past four days and will probably not go much higher, since eating in restaurant dining rooms is no longer an option. Behaviors remain fairly steady across demographic groups as well, with a slight increase among Millennials and a decrease among Generation Z.





In some ways, younger generations may be better prepared to adapt to the “social distancing” way of doing things.

Ask almost anyone, and they’ll tell you social distancing hasn’t been easy. It’s meant many have had to abandon their comfort zones and adopt new ways of doing things, especially older generations. Sure, they carry cell phones and post pictures of their grandkids on Facebook, but most were still getting food the traditional way, shopping in grocery stores and spending their social time dining in at restaurants.

Yet if you think about a lot of the “new behaviors” forced on us through social distancing, they are in many ways life as usual for Millennials and Gen Z. As digital natives, born in a convenience-driven, real-time world, they have always preferred, if not demanded, doing things at the touch of a button. And while they may miss having dinner with friends in person, they are no stranger to subscription meal kits, online ordering and Instacart. As foodies and adventurous eaters who don’t have the time or training to cook, they are very open to services that will help them achieve “food greatness” in easy and attainable ways.

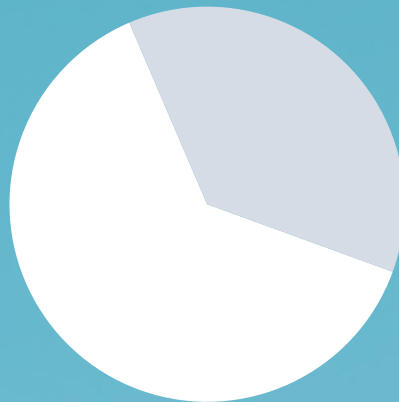
As restaurants innovate with social-distancing-inspired limited-time offers, Gen Z and Millennials will be the low-hanging fruit.





# Good health is true wealth.

Consistent with the old saying “if you don’t have your health, you don’t have anything,” Americans are more concerned about the public-health crisis than the economy right now. While you’d expect this from older groups, Gen Z concern is higher than some of their elders and just shy of Boomers’ concerns. As the family “gatekeepers” of health, women are more concerned about it than men. Sentiment could fluctuate if social distancing slows the rate of COVID cases and deaths — and if unemployment continues to accelerate — so we’ll track this question over time.



37%  
ECONOMIC CRISIS

63%  
PUBLIC-HEALTH  
CRISIS

which are you more  
concerned about?





# Restaurants want for nothing, regarding ways to give back.

Americans would gladly see chains get involved with charitable causes, but don't have a clear preference as to the type. Some differences can be seen across demographics. Women stand behind the mantra that "charity starts at home," showing greater preference toward activities that help staff. They also want to see options that help first responders. Boomers clearly feel that restaurants should stick with what they are good at, advocating for options that involve meal donations, whether to first responders, furloughed staff, or the homeless and needy.

**which causes do you want to see chain restaurants supporting during this time of COVID-19 / Coronavirus?**

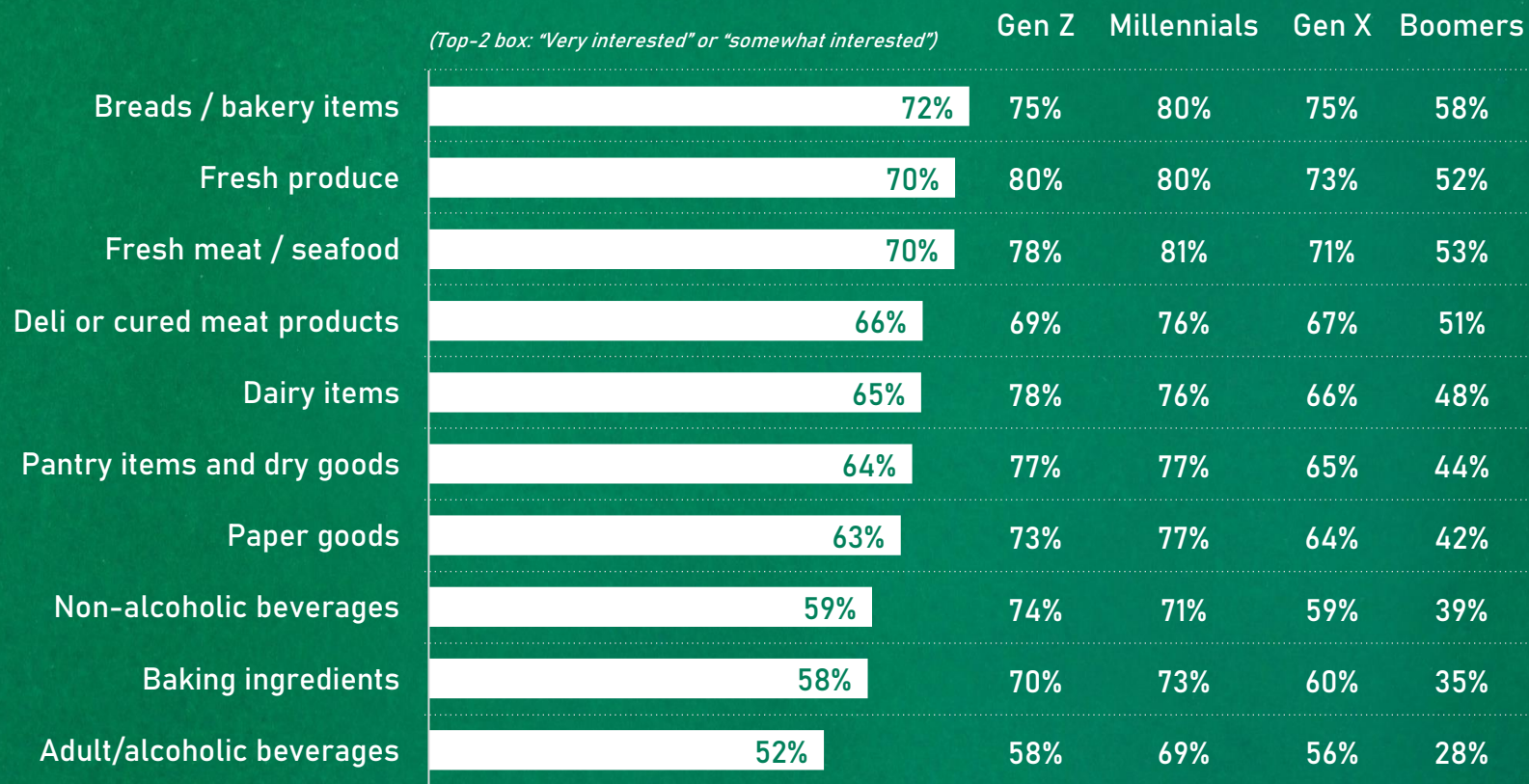
	Male	Female	Gen Z	Millennial	Gen X	Boomer
Donating meals to healthcare workers and first responders	54%	66%	43%	57%	61%	67%
Providing paid time off for sick staff or staff caring for others with Coronavirus	51%	55%	41%	51%	52%	60%
Providing meals or funding to restaurant staff who have been furloughed / let go during the crisis	45%	56%	39%	54%	49%	52%
Working with local food banks to help feed homeless / those in need during Coronavirus	52%	58%	40%	56%	53%	62%
Donating meals to organizations / services working with elderly or high-risk populations	46%	57%	45%	53%	48%	55%
Donating safety equipment (masks, gloves, etc.) to healthcare workers and first responders	48%	57%	42%	52%	50%	58%
Increasing wages / giving bonuses to staff who are working during the crisis	52%	65%	42%	60%	57%	65%





## “Pop-up grocers” pique consumers’ interest.

COVID has forced restaurants to get crafty to survive, and one of the latest tactics from chains is to sell groceries along with their carryout options. Apparently, these “pop-up provisioners” are onto something, as most Americans express some interest — especially Gen Z and Millennials — no matter the grocery category. But execution will be crucial, given all the forms this new idea could take. Will customers be able to pre-order online? Curbside pick-up, or delivery? Bundled meal kits, or customizable orders? If a restaurant figures out which combination works for its operation, the potential is there for a big audience.



what is your interest in purchasing the following grocery categories from restaurants during the COVID-19 crisis?

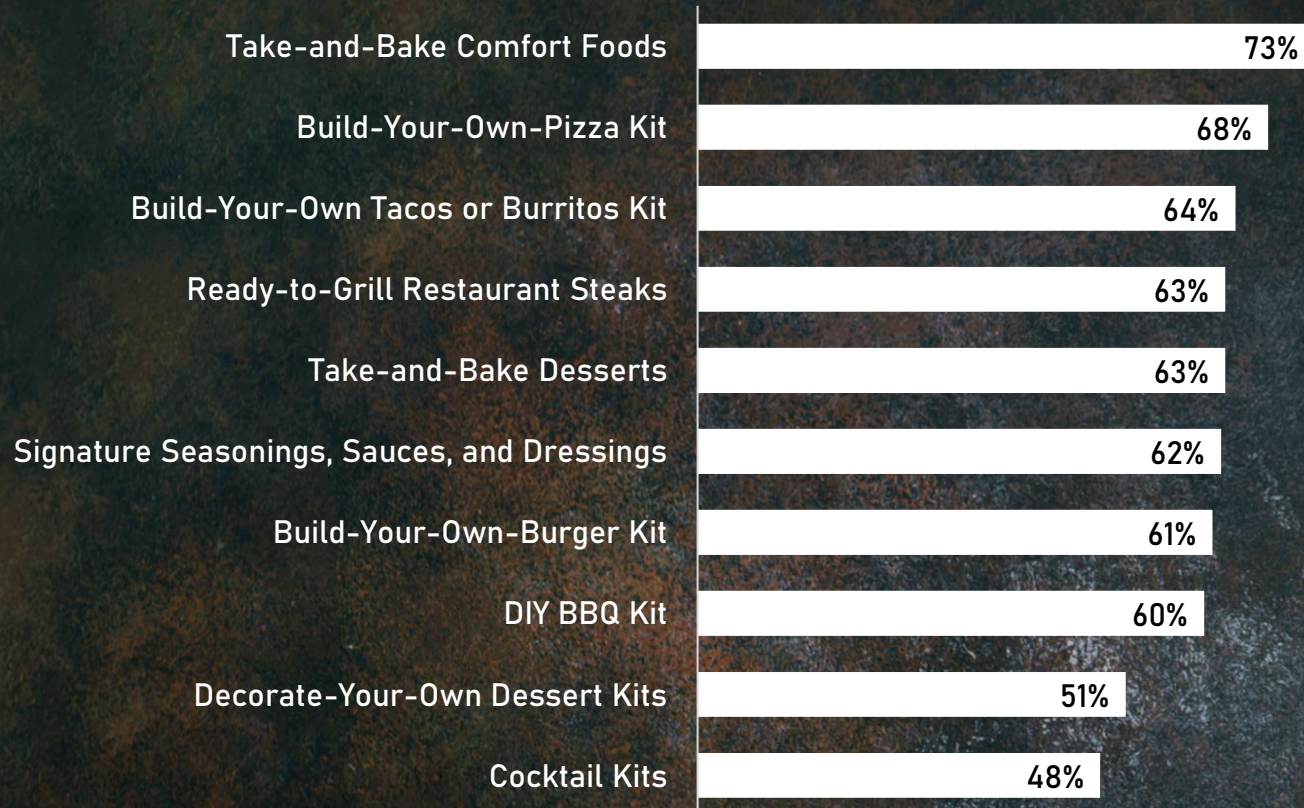




## A worthwhile DIY project.

Another way restaurants have gotten creative to generate new revenue streams is by offering do-it-yourself and “take and bake” meals, and consumers are expressing strong interest. Consumers can make home-cooked meals without all the hassle and it can also be a form of entertainment for the family. Millennials and households with kids have the strongest interest across all options, while take and bake comfort foods and desserts are popular with Gen Z. Singles prefer more casual options, better suited for one person like pizza, burger, cocktails, and dessert decorating kits.

*(Top-2 box: “Very interested” or “somewhat interested”)*



**how interested are you in ordering  
these DIY/take and bake options from  
restaurants during COVID?**





# Family dinners without the fuss.

Americans are also interested in family-sized meals to go, especially if it comes with a deal. Millennials, who consider themselves foodies but shy away from too much meal planning, show the most interest. Households with kids are also interested in group meals.

how interested are you in ordering the following family/group meals from restaurants during COVID?

(Top-2 box: "Very interested" or "somewhat interested")

		Millennials	HHs w/ Kids
Buy-One-Take-One Entrée Deals	78%	86%	85%
Full 3- or 4-Course Family Meal Deals	68%	80%	81%
Sunday Roast / Sunday Supper	64%	76%	75%
"Dinner and a Movie" Deals	63%	81%	75%
Breakfast / Brunch Boxes	62%	76%	71%
Holiday Feast	59%	73%	71%
Upscale Dinner	58%	74%	68%
Kids Eat Free	47%	63%	73%
Kids Party Packs	41%	58%	64%



# Restaurants (still) have a lot of levers to pull.

Throughout the COVID crisis, restaurants have been using promotions and discounts to keep their customers coming, and many of these strategies work well together. Consistent with results from our past study, the idea of ordering now and getting a discount to dine-in later is a strong motivator to generate business. One in three consumers would also be swayed by knowing their order would benefit charities. Convenience-driven factors are motivators for parents, who would like expanded delivery zones, and singles, who would prefer expanded hours.



**what would motivate you to get food from  
restaurants during the COVID crisis?**





## Edible entertainment caters to young foodies.

Millennials want food to be an experience, and Gen Z are notorious for being adventurous eaters. On average, they also watch more cooking shows, so it's no surprise that they're the audience for online cooking classes and experiential activities hosted by their favorite bars and restaurants (significantly more than older generations). Cooking/baking classes, tastings, and DIY project kits appeal to three out of four young consumers, so if a chain's core customer group skews younger, it could maintain connection to its guests with virtual events or video content.

(Top-2 box: "Very interested" or "somewhat interested")

Restaurant Cookbooks	58%	76%	73%
Virtual Cooking Classes / Tutorials	56%	71%	72%
Virtual Game Night	55%	74%	76%
Virtual Baking Classes / Tutorials	53%	76%	71%
Tasting Menu	52%	70%	70%
At-Home "Quarantine Project" Kits	50%	74%	71%
Virtual Cheese Plate / Charcuterie Tasting	47%	67%	63%
Virtual Bartending Classes / Tutorials	43%	62%	63%
Virtual Wine Tasting	42%	61%	60%



Gen Z



Millennial

how interested are you in participating  
in the following social/experiential  
options from restaurants?



# WHAT IS THE MOST INTERESTING RESTAURANT PROMOTION YOU'VE NOTICED DURING THE COVID CRISIS?

**"One of my favorite restaurants is offering a 1:1 gift card; every dollar spent now will be gifted back into a gift card."**

- a 40-year old woman in Chicago, IL

**"Jimmy John's is selling their fresh baked bread. I like their bread, I hope they continue to sell it after this is over."**

- a 54-year old woman in Ann Arbor, MI

**"Take and bake from my favorite local shop. All proceeds went directly to supporting furloughed workers."**

- a 31-year old man in Crossville, TN

**"A French restaurant offering comfort food."**

- a 43-year old man in Palm Springs, CA

**"Basket including a handmade mesquite board for bread, cheese, and meats, plus a bottle of wine, things to put together your own charcuterie and/or cheese board at home, as well as a gift card for later use when restaurant re-opens."**

- a 40-year old woman in Tucson, AZ

**"Buy one burger, one gets donated to front-line workers."**

- a 47-year old woman in Los Angeles, CA

**"Family fajitas dinner. It came with everything needed: chicken fajitas, rice, beans, tortilla, salsa and cups, cheese dip, and chips for a great price."**

- a 51-year old woman in Wilmington, NC

**"The ideas surrounding delivery fees and donations towards healthcare."**

- a 20-year old woman in Seattle, WA

**"\$2 six-pack of beers, free T-shirt, and free toilet paper with food purchase."**

- an 18-year old man in Beverly Hills, CA







## HOTSHOT REPORT

Visit Datassential's Coronavirus Resource Library at [datassential.com/Coronavirus](https://datassential.com/Coronavirus), your one-stop shop for all COVID-19 research reports, video interviews, restaurant closure maps, and Traffic Briefings, all updated daily as new data come out of the field.





# 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](#)