

Changes in Consumer Habits: What the 'new normal' means for restaurants and food service establishments



OPEN

Who we are

At **Intouch Insight**, we provide experiential and operational expertise to businesses around the world. We specialize in supporting multi-location businesses as they deliver on their brand promise. Leveraging our automated customer experience platform, brands are able to produce the high-value actions that **earn customers for life**.

Learn more:

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Disclaimer: The views expressed in this study are representative of the survey data collected. Please continue to follow the advice of medical professionals and your regional government officials for recommendations around health and safety protocol.



Introduction & Update

There are many factors that affect and influence an individual's consumer habits. And although many changes were already underway, like the adoption of emerging ordering and fulfillment technologies and alternative modes of engaging with customers, COVID-19 has undoubtedly accelerated the transformation.

To better understand how consumer habits are changing, we launched a series of industry studies to understand the impacts of these changes on food service establishments through three Consumer Habits surveys conducted in **Spring 2020, Fall 2020, and Spring 2021.**

To continue understanding the long-term effects and trends on the restaurant sector, we are continuing our research with our fourth survey, reaching over 1800 survey respondents.

Key findings

With ever-evolving rules and regulations, businesses have innovated, and consumers have taken advantage of new ways of engaging with the businesses they love.

In this study, we will provide insights into the long-lasting effects of those changes, and how restaurants and food service establishments can meet and exceed their customer expectations moving forward.

What's covered in the report:

- What customers expect from the businesses they interact with,
- How technology is impacting consumer behavior, and
- Where businesses can focus their efforts to drive the greatest impact.



If this is as far as you go in the study, here's what you absolutely need to know:

- **Key Finding #1: Consumers have adjusted to the 'new normal'**
 - More respondents are reporting dining in at food service establishments.
 - The Fall 2021 results show a drop in rated importance of pandemic-related drivers, like contactless service and outdoor seating, relative to more tradition factors, like quality and price.
 - Cleanliness remains a top priority that can't be ignored.
- **Key Finding #2: Customers expect easy-to-use digitally-enabled experiences, without the extra fees**
 - Pickup is favored over delivery, with a preference for ordering directly from a restaurant as opposed to a third-party app.
 - The adoption of alternative ordering and fulfillment methods such as curbside pickup and delivery continue to be popular amongst respondents, but lower delivery fees and easier online ordering processes could drive greater adoption.
- **Key Finding #3: Positive reviews can make or break your brand**
 - Positive reviews have the greatest influence on choosing a brand and having a positive experience was the greatest motivator for leaving feedback.
 - Majority of respondents are willing to leave feedback but only half of businesses are asking for it.

Table of Contents

Initial Findings

Key Finding #1: Consumers have adjusted to the 'new normal'

Key Finding #2: Customers expect easy-to-use digitally-enabled experiences, without the extra fees

Key Finding #3: Positive reviews can make or break your brand

The Next Chapter

Other Reports

Survey Demographics

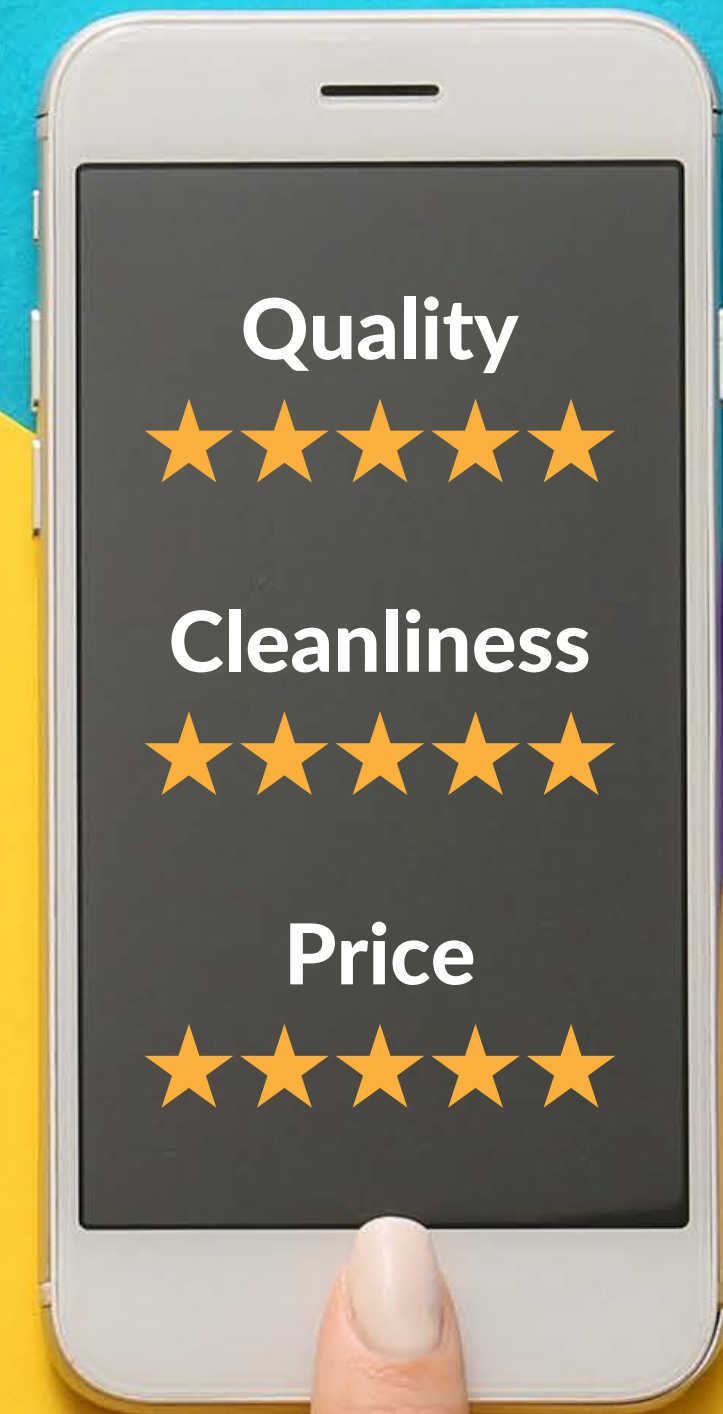


Initial findings

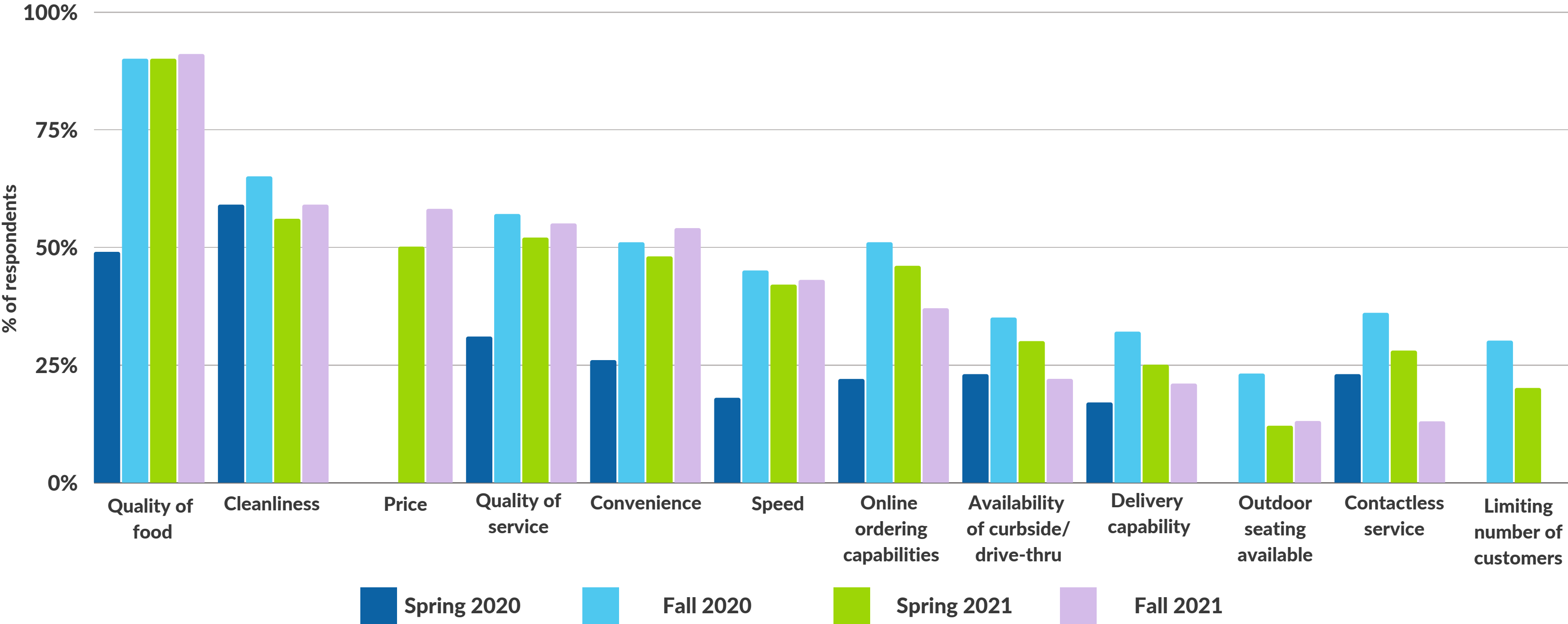
In Spring 2020, when asked what aspects were considered extremely important when making a decision to order prepared food, cleanliness, quality of food and quality of service topped the list.

In the Fall 2020 and Spring 2021 studies the same top three items were rated as extremely important, but quality of food took the top spot by a significant margin.

This trend continues in our latest survey results, but with **price** taking third spot behind **quality of food** and **cleanliness**, pushing quality of service to fourth place.



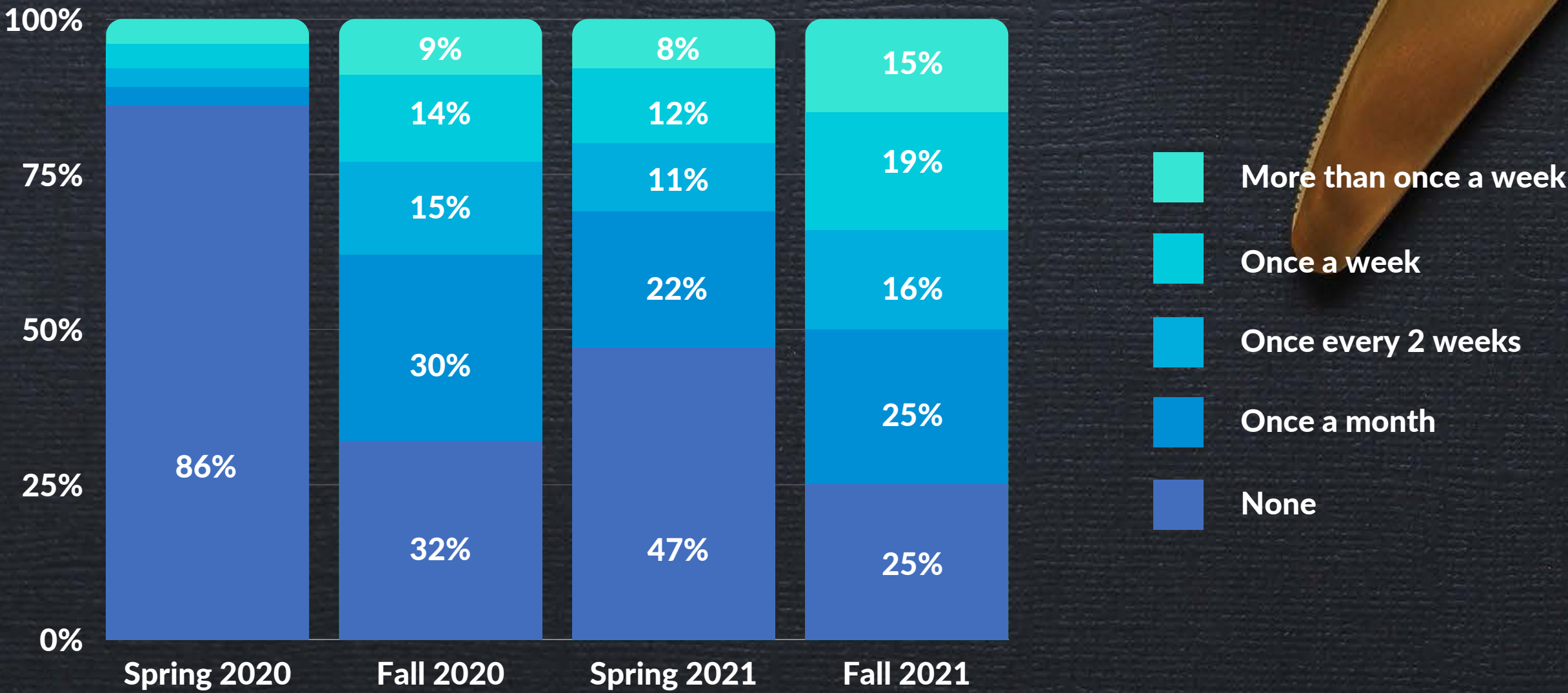
Which of the following aspects do you consider **extremely important** when making a decision to order prepared food?



Note: As businesses experienced rapid change early on in the pandemic, new items were added to this question between May and October 2020, therefore no data was collected in May 2020 for certain aspects displayed above.

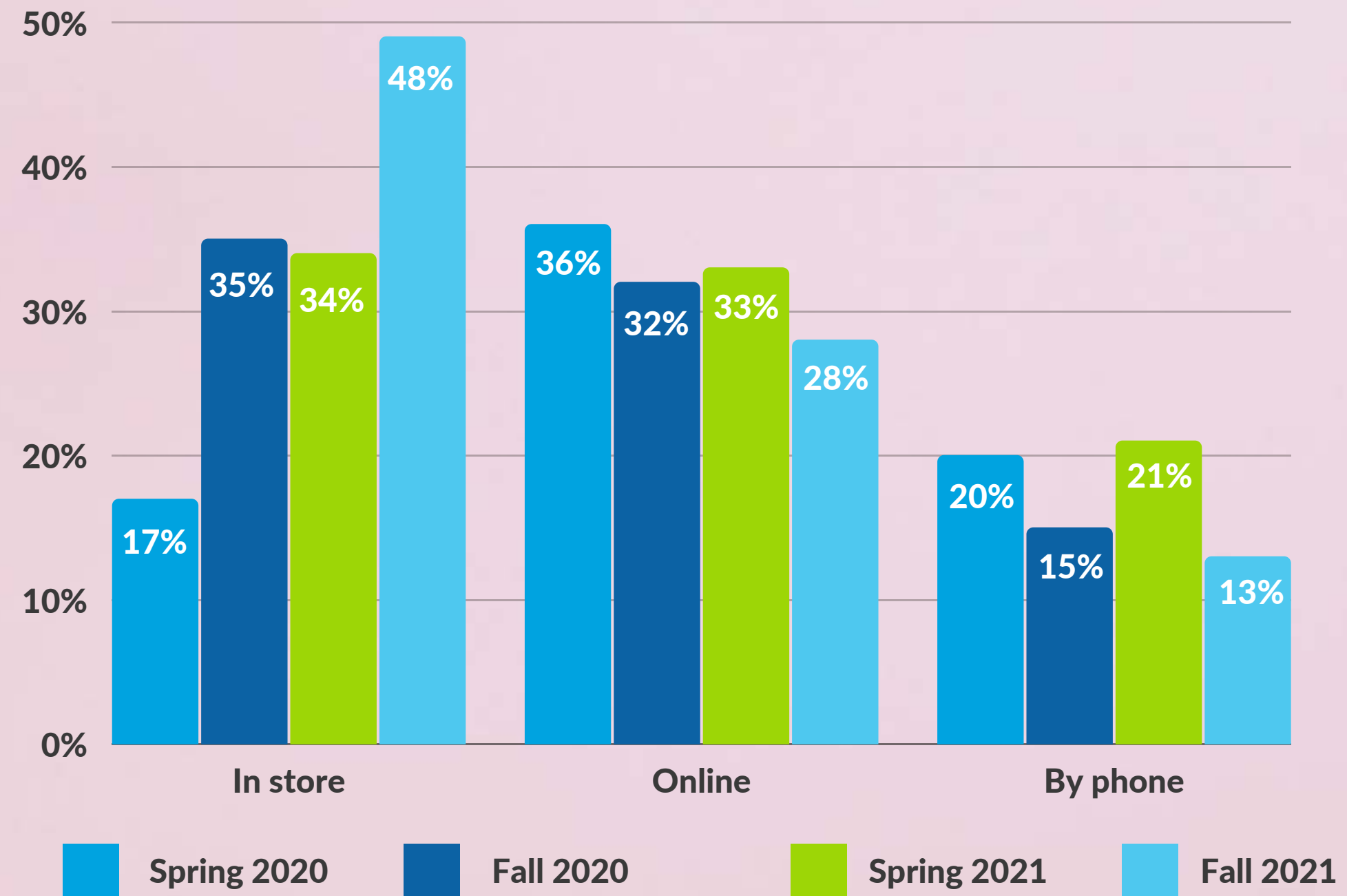
And as consumers continue to adjust to the new normal, we're seeing significant respondents saying they are returning to dine in at restaurants.

Percentage of respondents reporting the frequency of trips made to dine in at a restaurant



When **purchasing prepared food**, survey respondents have reported an **increase of in-store purchases over the last 12 months**, but alternative methods continue to be very popular.

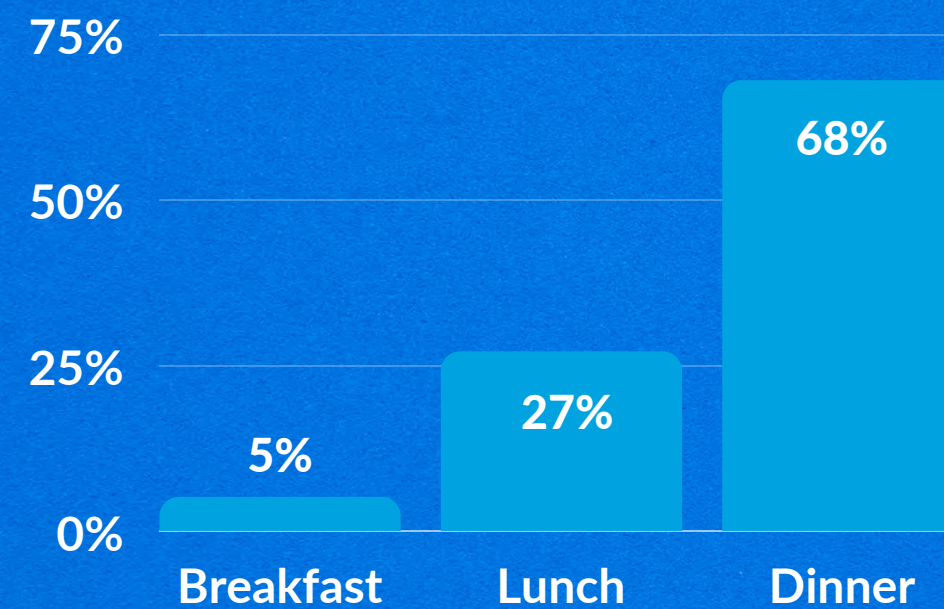
Percentage of respondents reporting the method most frequently used to purchase prepared food



To better understand WHEN, WHY and HOW consumers engage with food service establishments, we introduced a new set of questions into the Fall 2021 Study.

68% of our respondents indicated that **dinner** is the meal they typically purchase from a food service establishment.

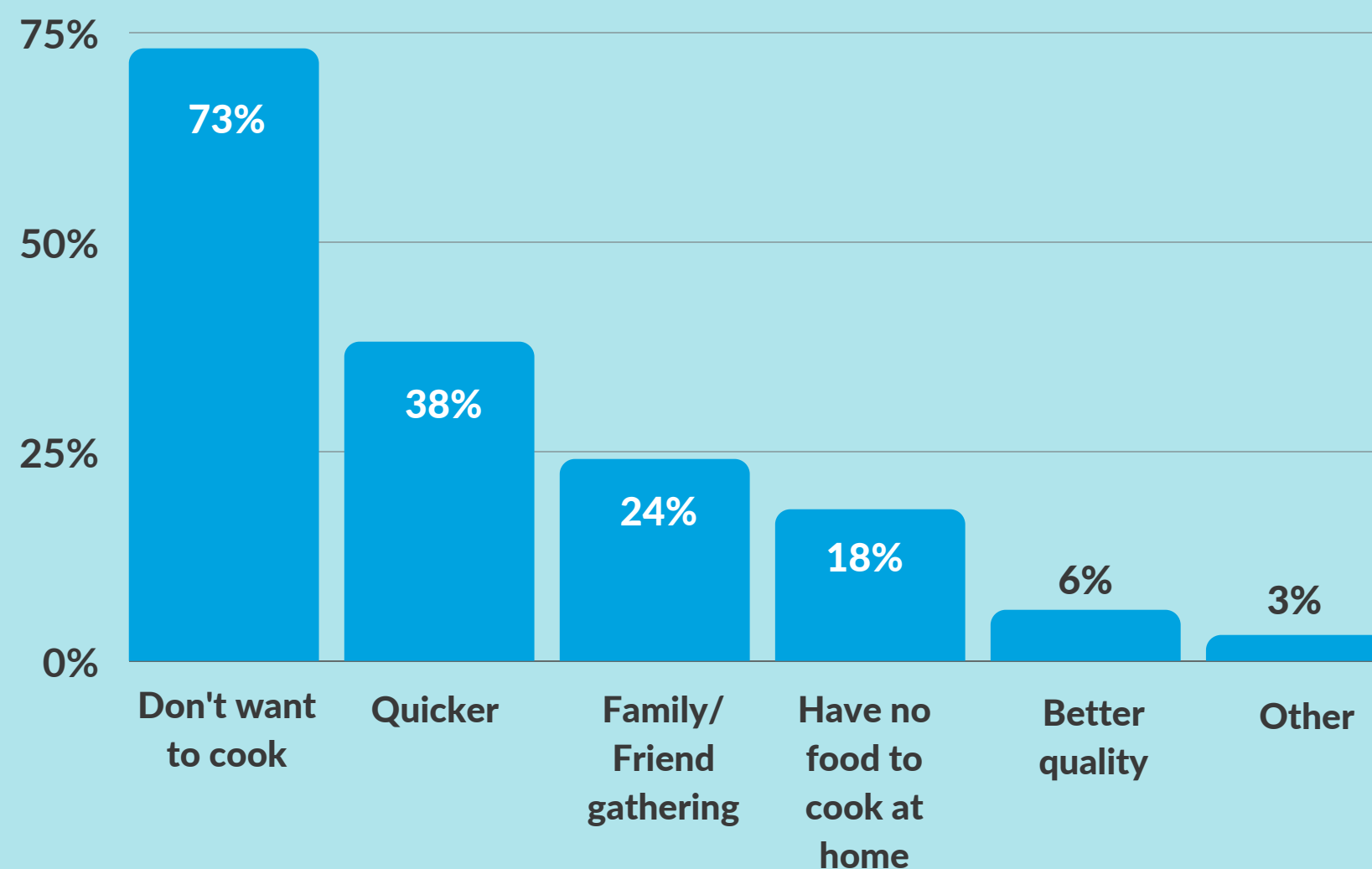
Percentage of respondents reporting the meal typically purchased from a food service establishment





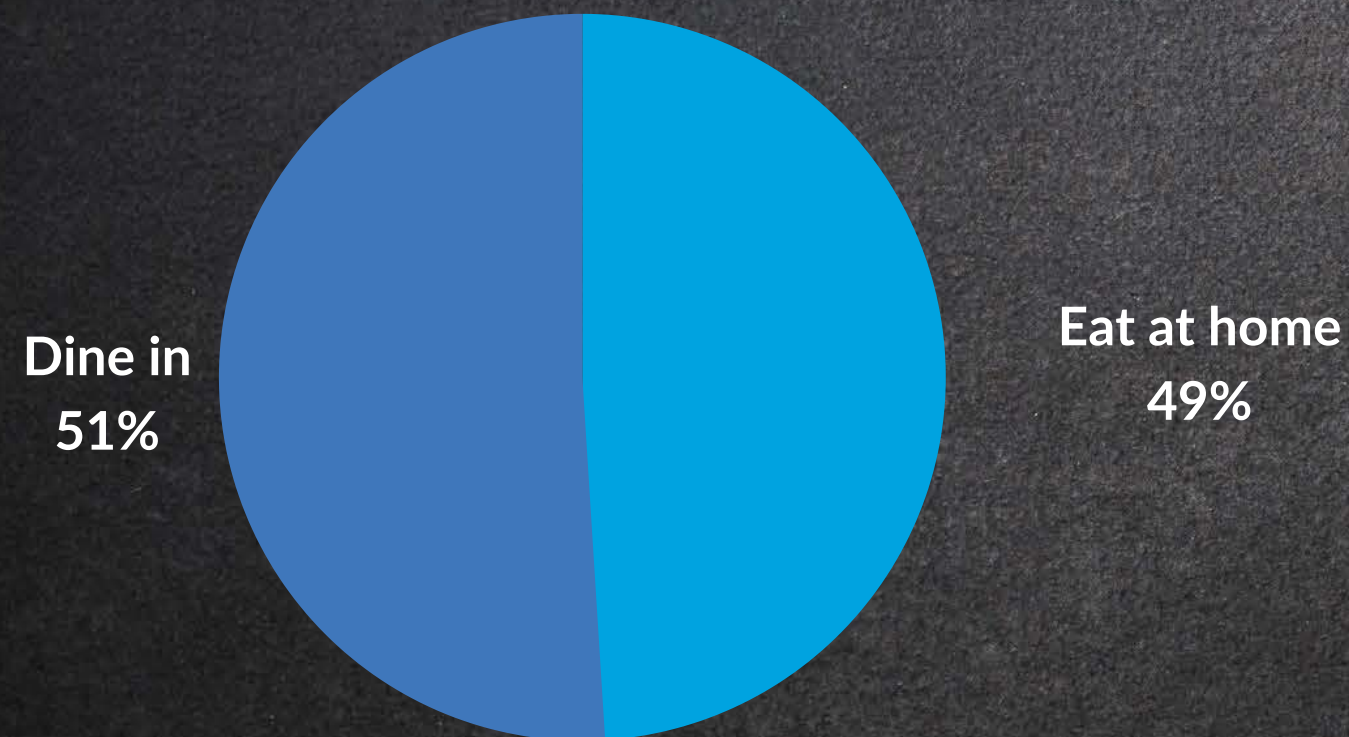
And the primary motivator behind ordering or dining-in with a food service establishment is **not wanting to prepare food at home.**

Percentage of respondents reporting what motivates them to order/dine in with a food service establishment



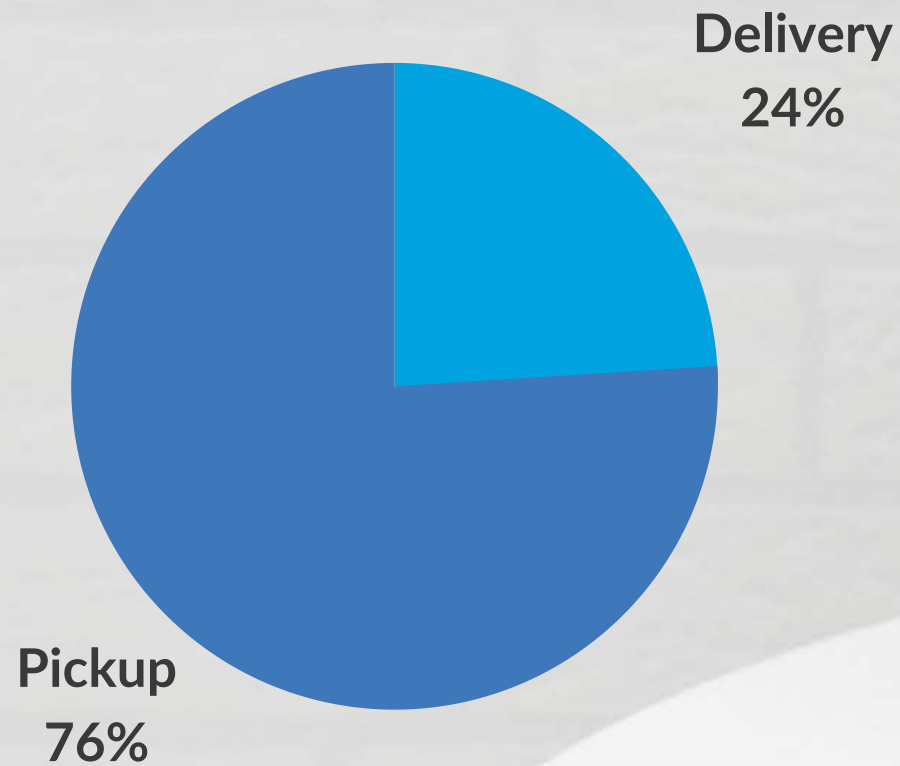
When it comes to dining in vs ordering food to be eaten at home, our respondents are split down the middle, with 51% preferring to dine in.

Percentage of respondent reporting their preference to dine-in or order food to be eaten at home



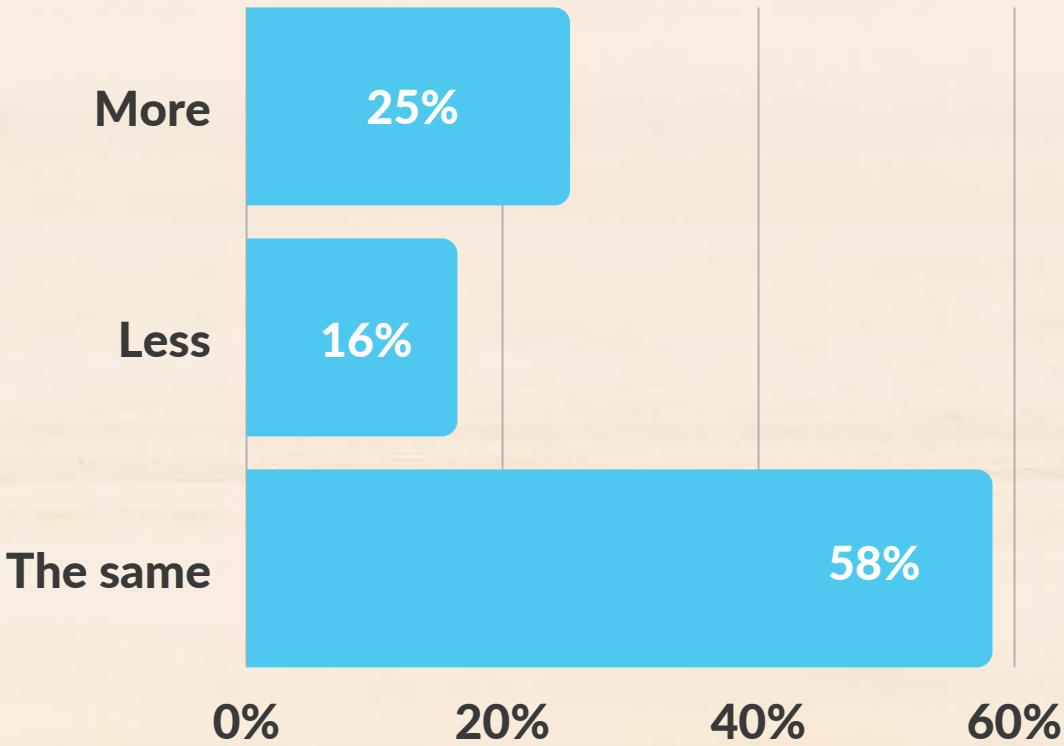
And our respondents report a strong **preference towards picking up** vs delivery, when ordering food to go.

When purchasing an order to go, do you prefer to pickup or have it delivered

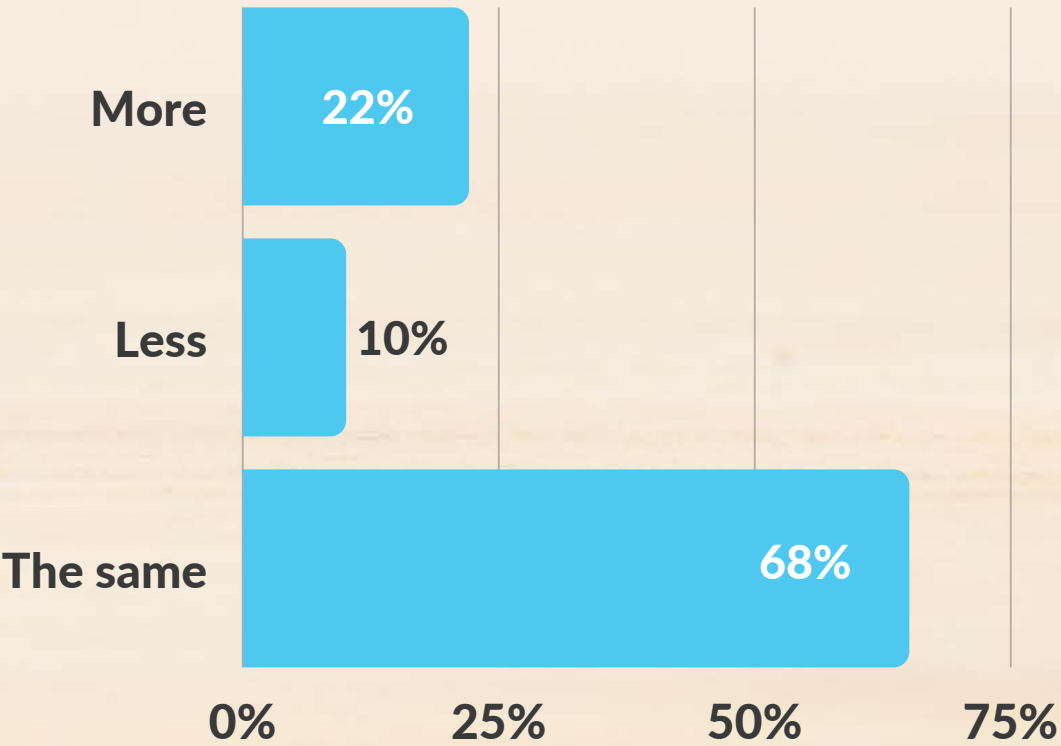


Survey respondents continue to reinforce the importance of **localization and community engagement**, with 22% of respondent reporting an increase in engaging locally over the last 6 months.

Spring 2021: Percentage of respondents reporting local shopping patterns.



Fall 2021: Percentage of respondents reporting local shopping patterns.



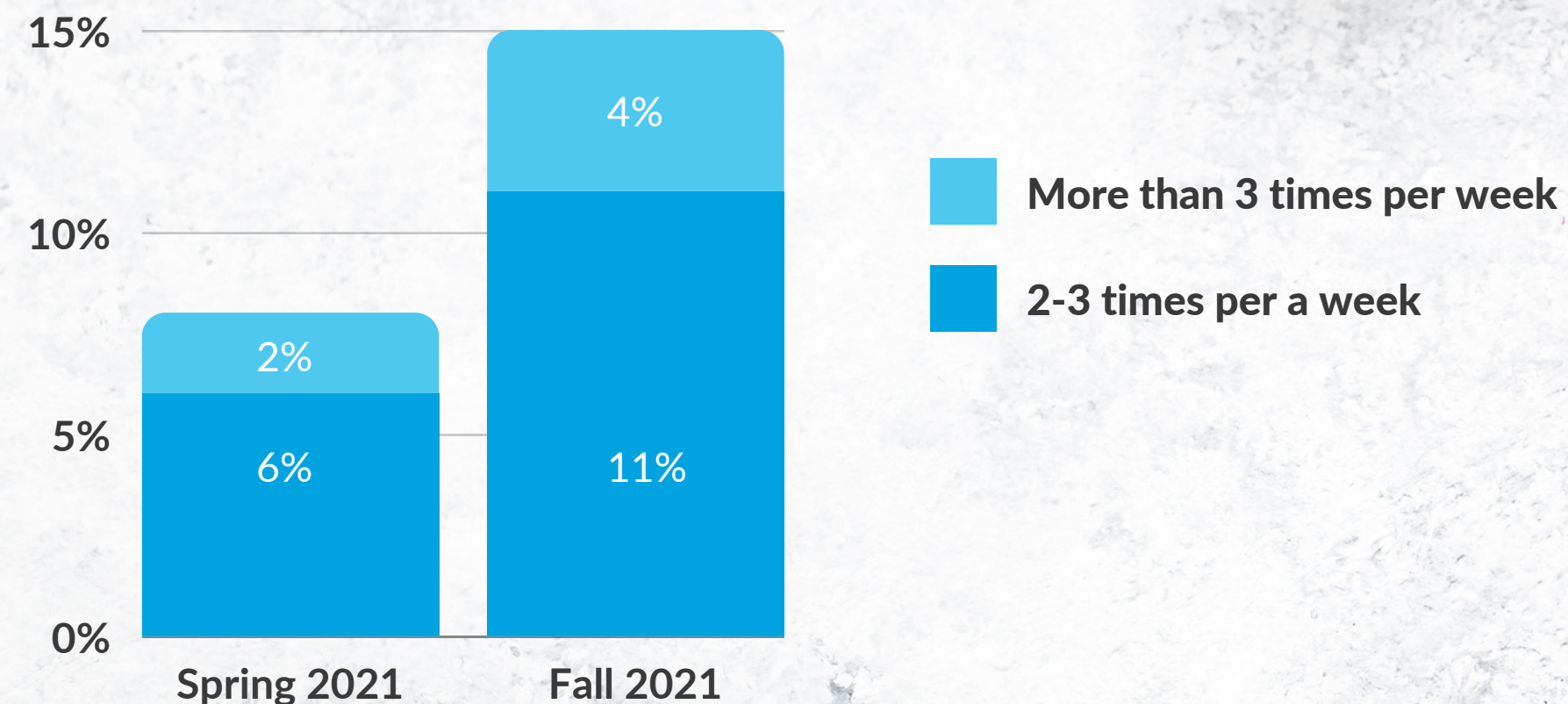
Key finding #1

Consumers have adjusted to
the 'new normal'



As we saw in the initial findings, dining in is on the rise. Not only is the percentage of respondents dining in more than once a week increasing, since Spring 2021 the proportion of those visiting **more than 3 times per week continues to grow** as well.

Percentage of respondents reporting the frequency of dining in at food service establishments



A brown paper takeout bag stands upright against a teal background. The bag has a simple, rectangular shape with a folded top. Printed in bold, red, sans-serif capital letters on the front of the bag are the words "TAKE OUT" on the top line and "FOOD" on the line below it.

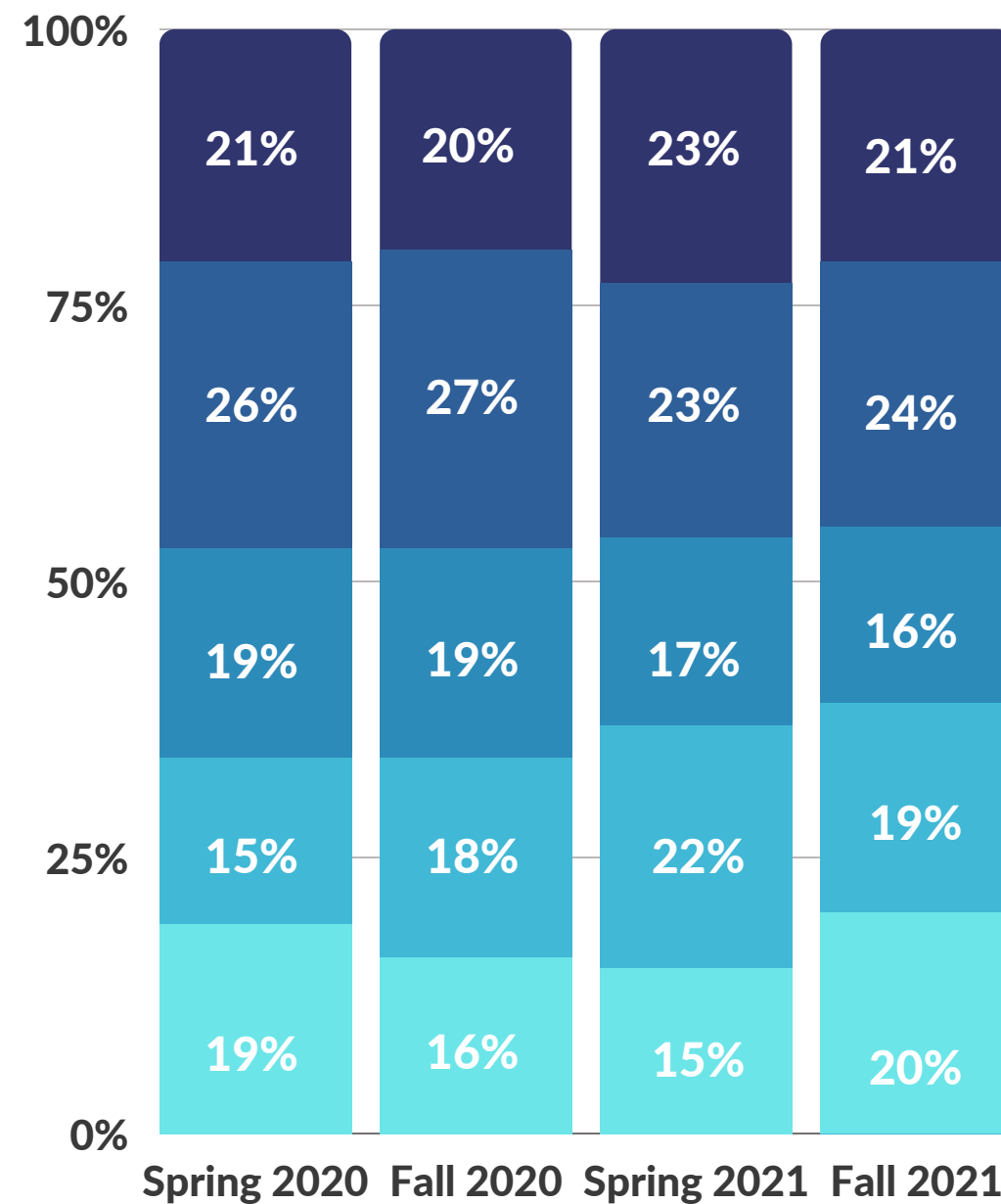
**TAKE OUT
FOOD**

Usage patterns and frequency of **takeout**, **curbside pickup** and **drive-thru** has remained steady since we conducted our first study in the Spring of 2020.

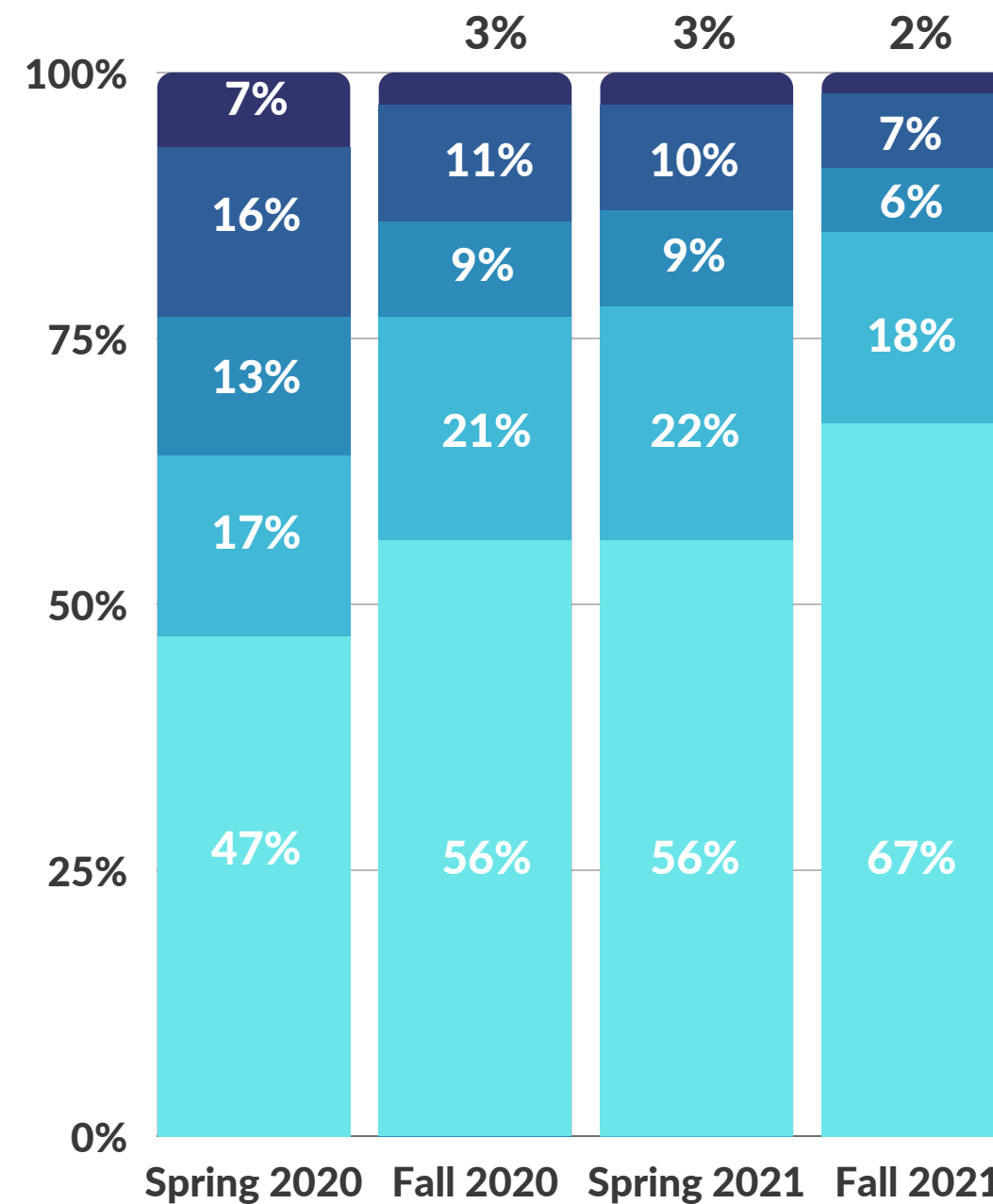
But this is the first time that we have seen an increase in the number of respondents reporting **not having used any of these services**, with curbside pickup leading with an 11% increase in respondents saying that have not used this method in recent weeks.

Pick-up: Drive-thru vs Curbside vs Takeout

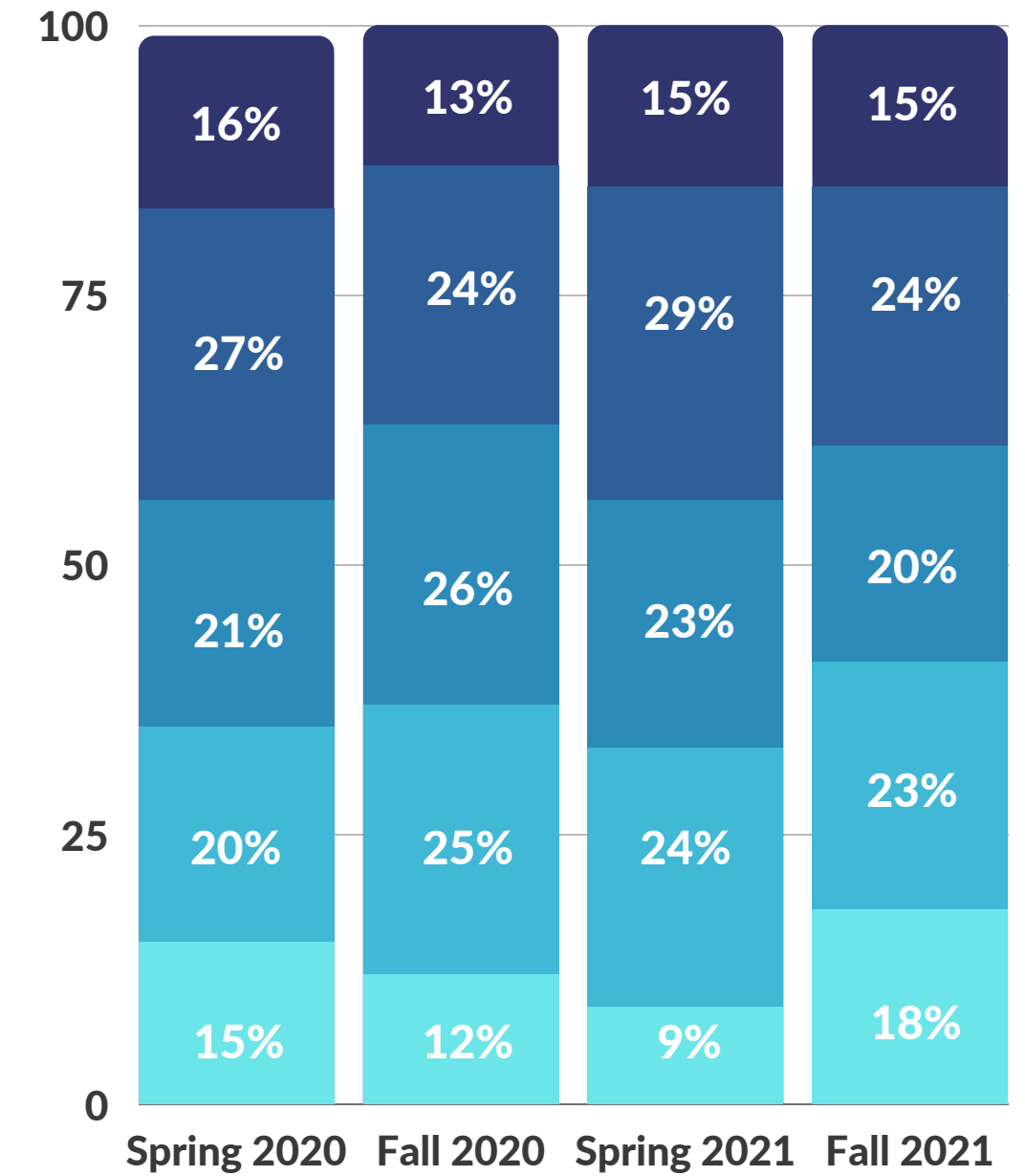
Percentage of respondents reporting the frequency of drive-thru pickup orders



Percentage of respondents reporting the frequency of curbside pickup orders



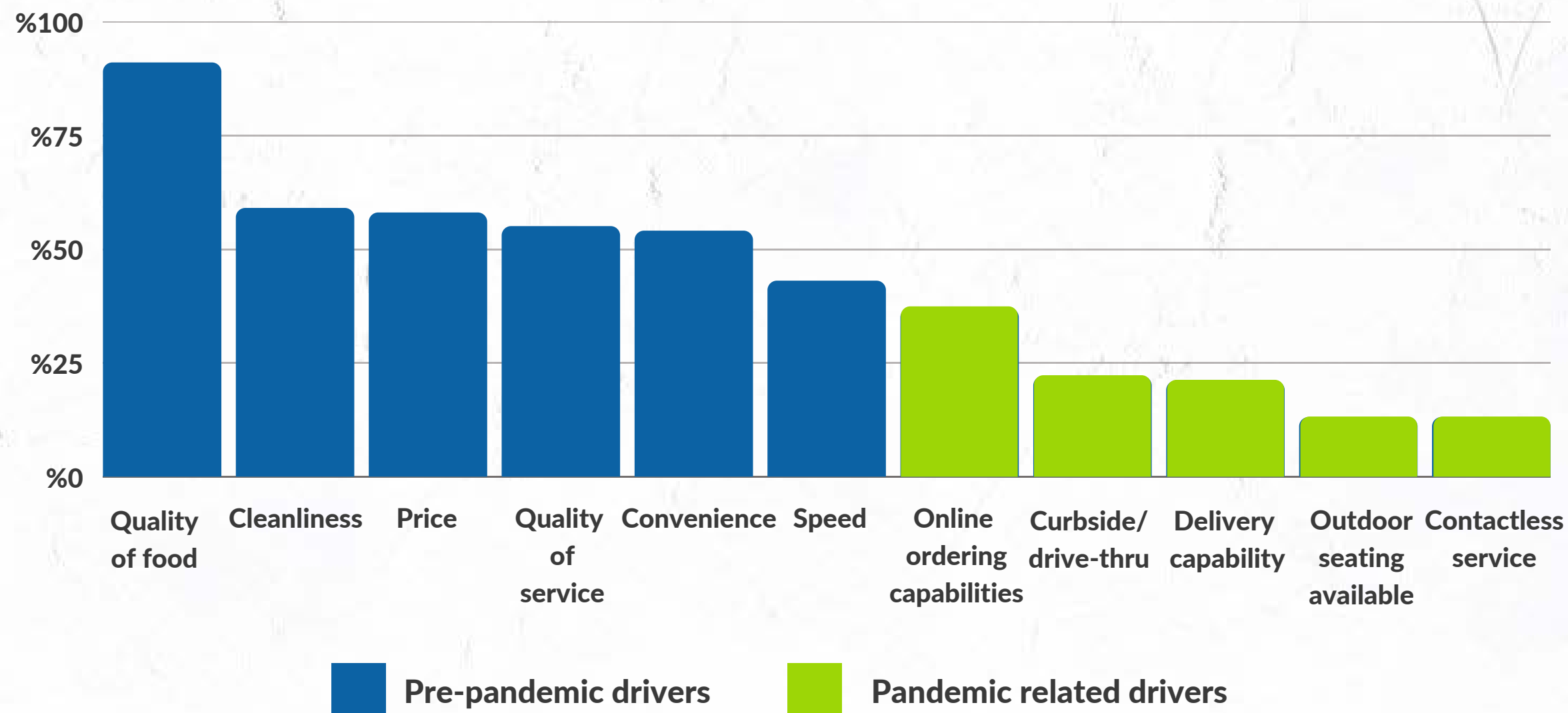
Percentage of respondents reporting the frequency of takeout pickup orders



More than once a week
 Once a week
 Once every 2 weeks
 Once a month
 None

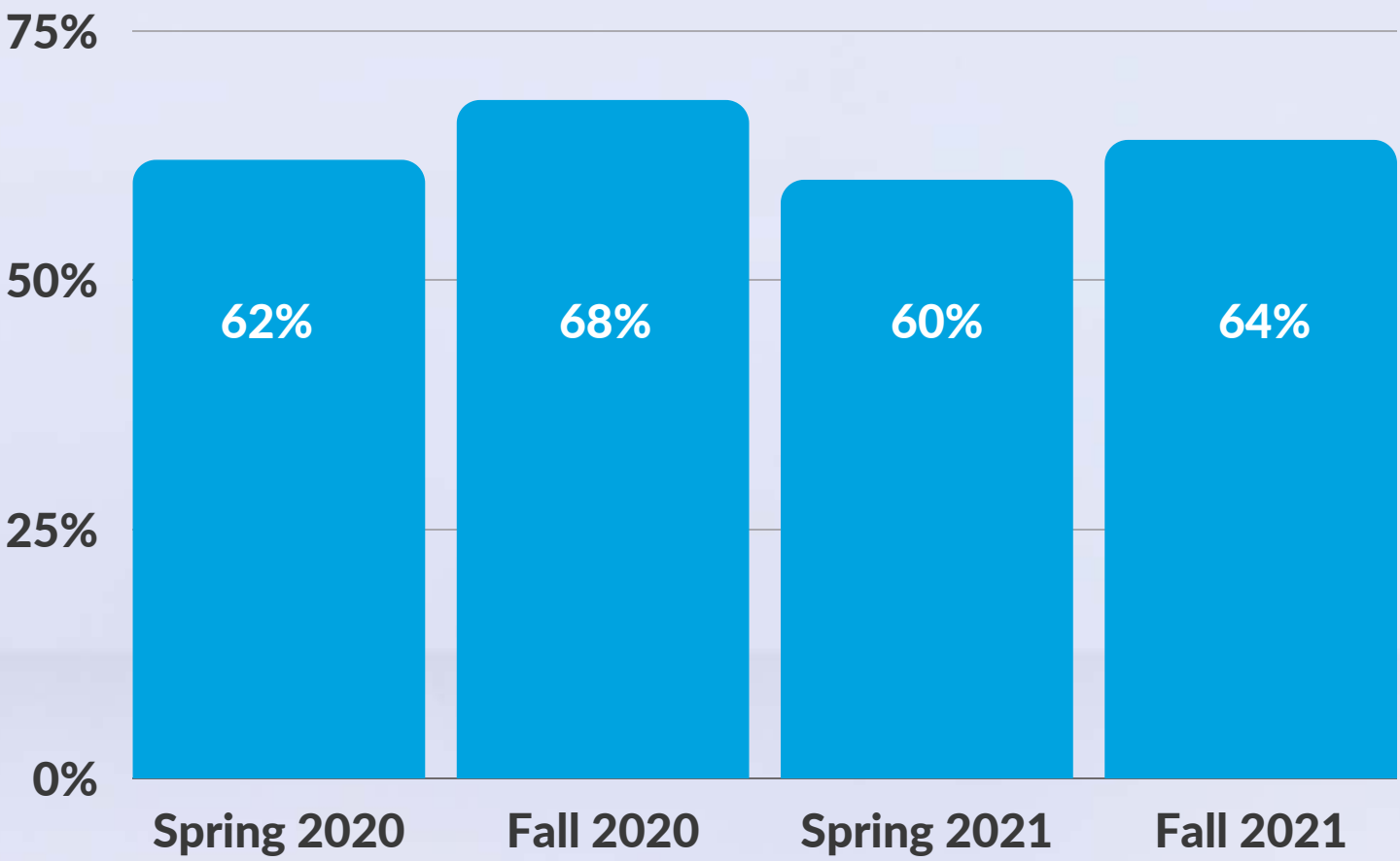
What consumers consider most important when making the decision to order prepared food has shifted as well. The Fall 2021 results show all **pandemic-related drivers dropping in importance** relative to more tradition factors.

Percentage of respondents reporting which aspects they consider extremely important when making a decision to order prepared food



Cleanliness has always been an important factor for food service establishments. This is echoed in consumer expectations, and we have seen little fluctuation over the past two years in its reported importance to consumers.

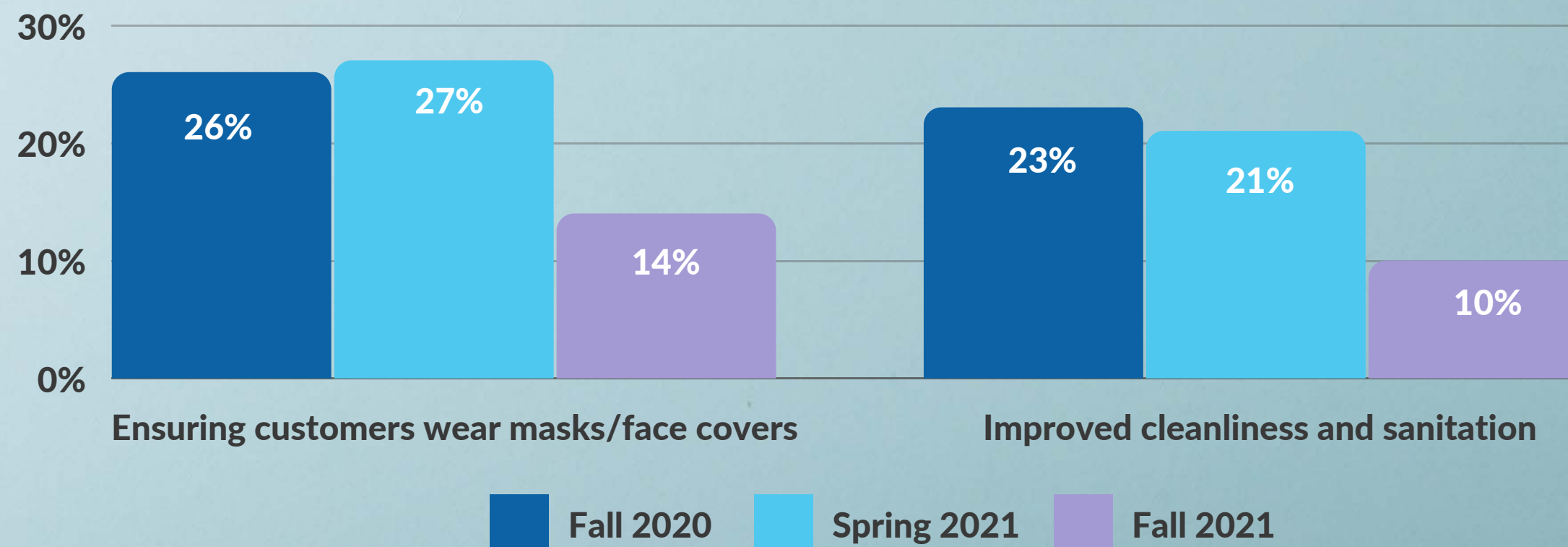
Percentage of respondents rating cleanliness as extremely important when making the decision to visit a store



When asked: **What is the number one change you want to see businesses make?** Ensuring customers wear masks and improved cleanliness and sanitation remain have both decreased.

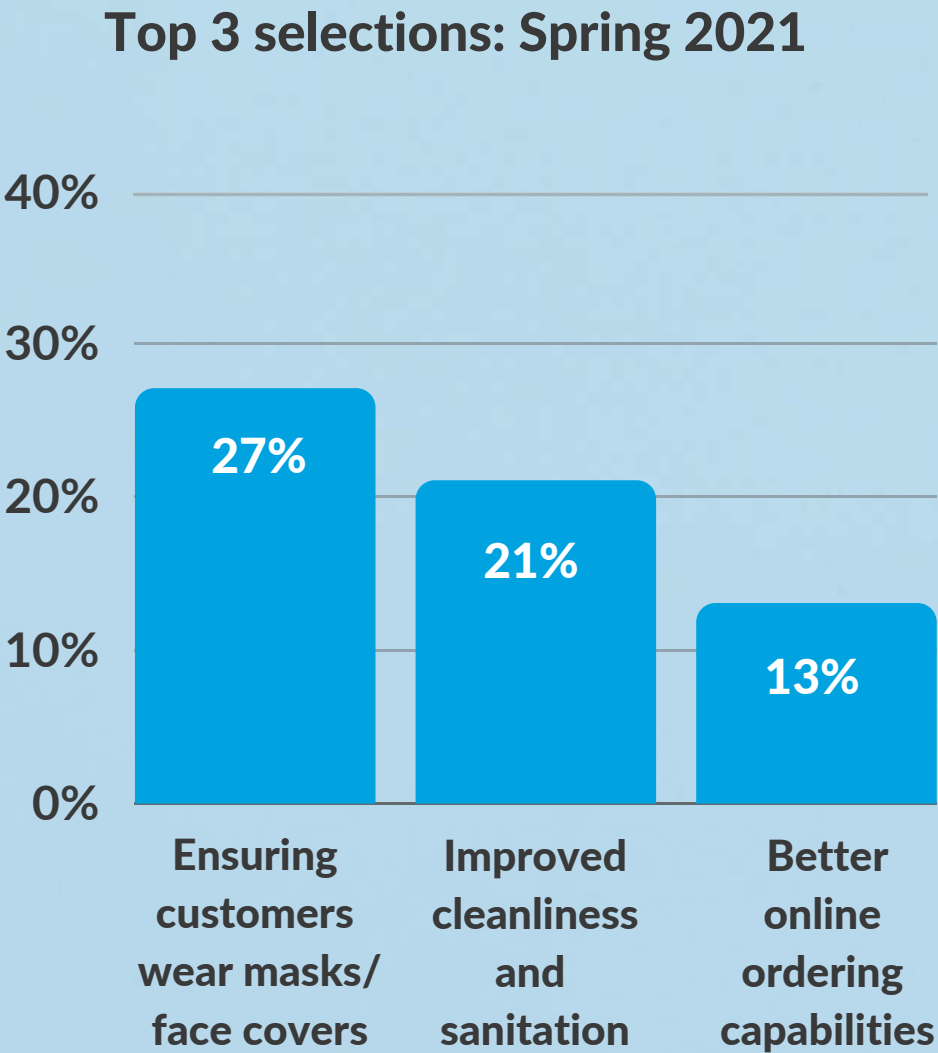
This decrease reinforces consumers are starting to become more comfortable with the businesses they are engaging with.

Percentage of respondents reporting the number one change they want to see businesses make

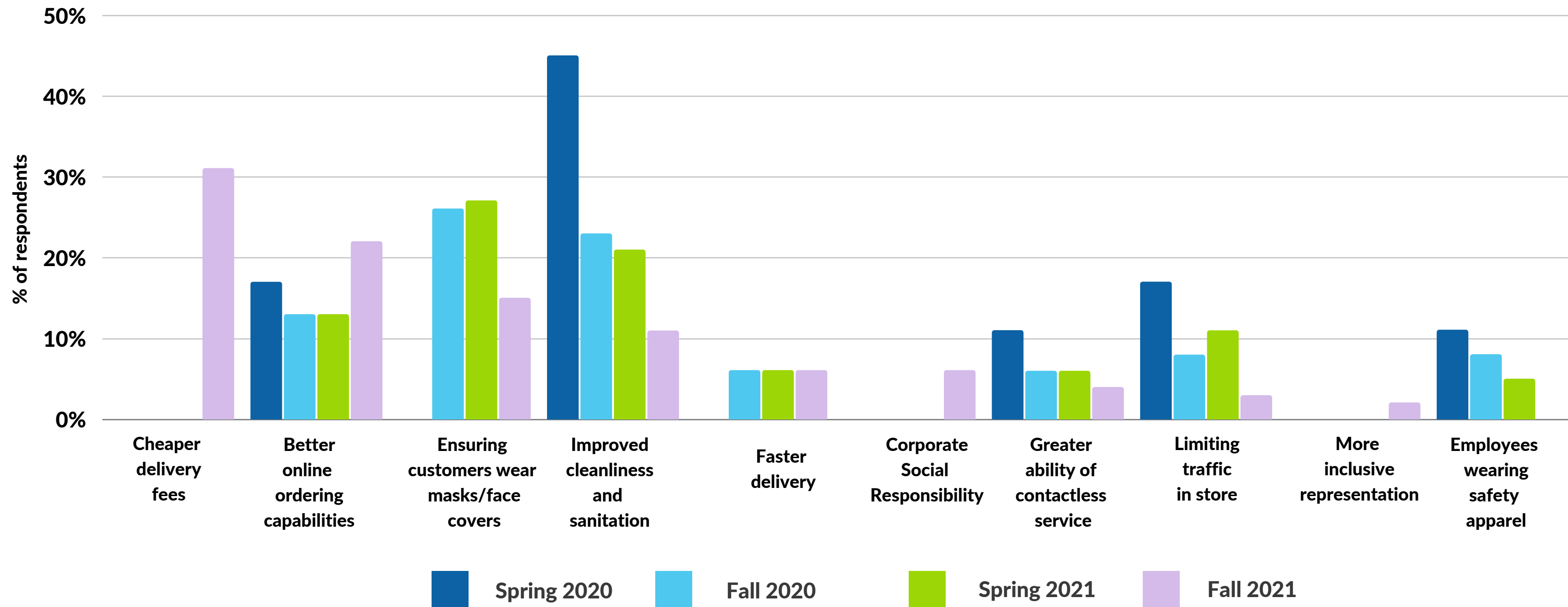


And when comparing the three top rated changes requested by respondents, **ensuring customers wear face masks drops to the third spot**, behind cheaper delivery fees and easier online processing, compared to first place in Spring 2021.

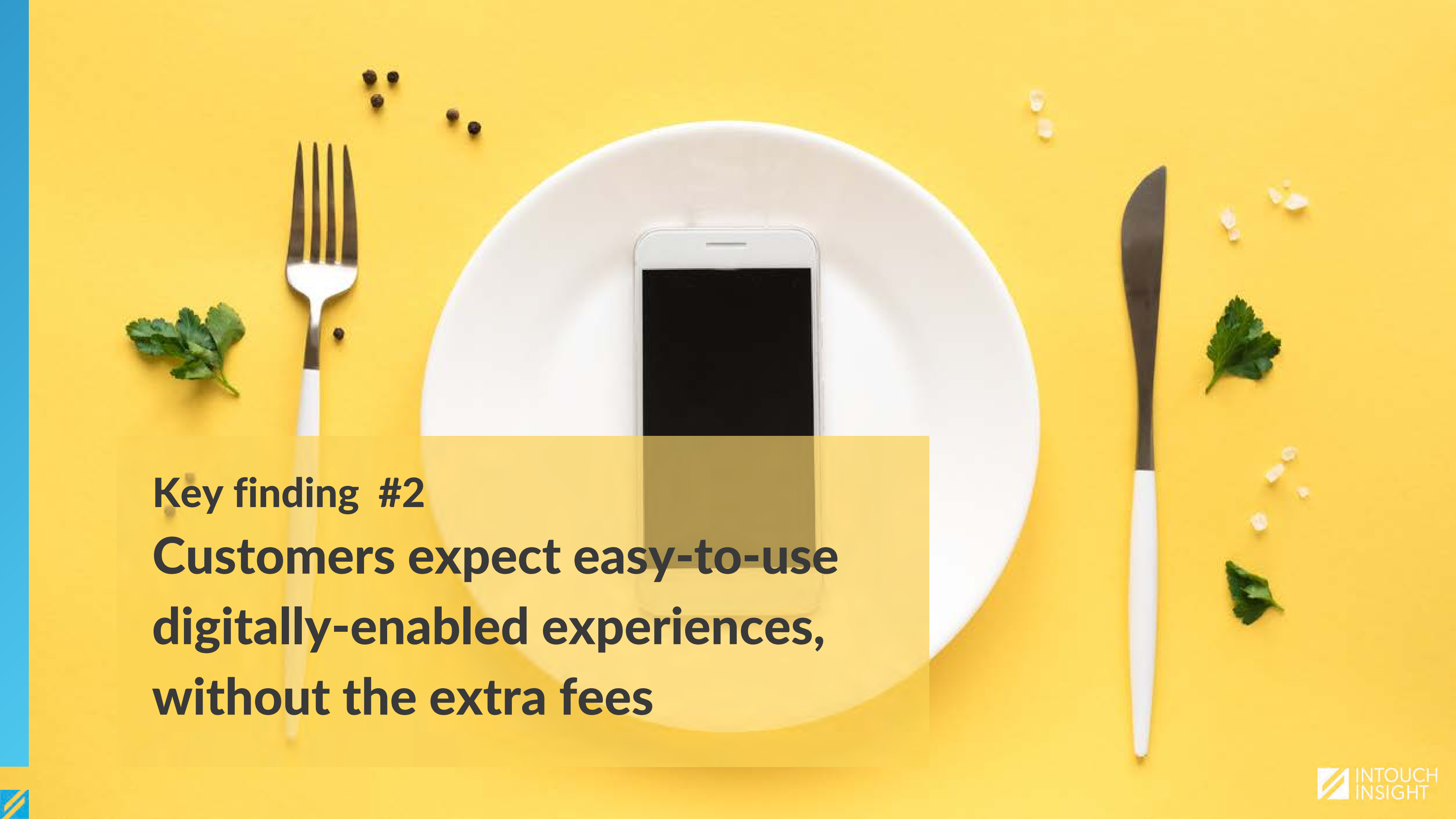
Percentage of respondents reporting the number one change they want to see businesses make



What is the **number one change** you want to see businesses make?



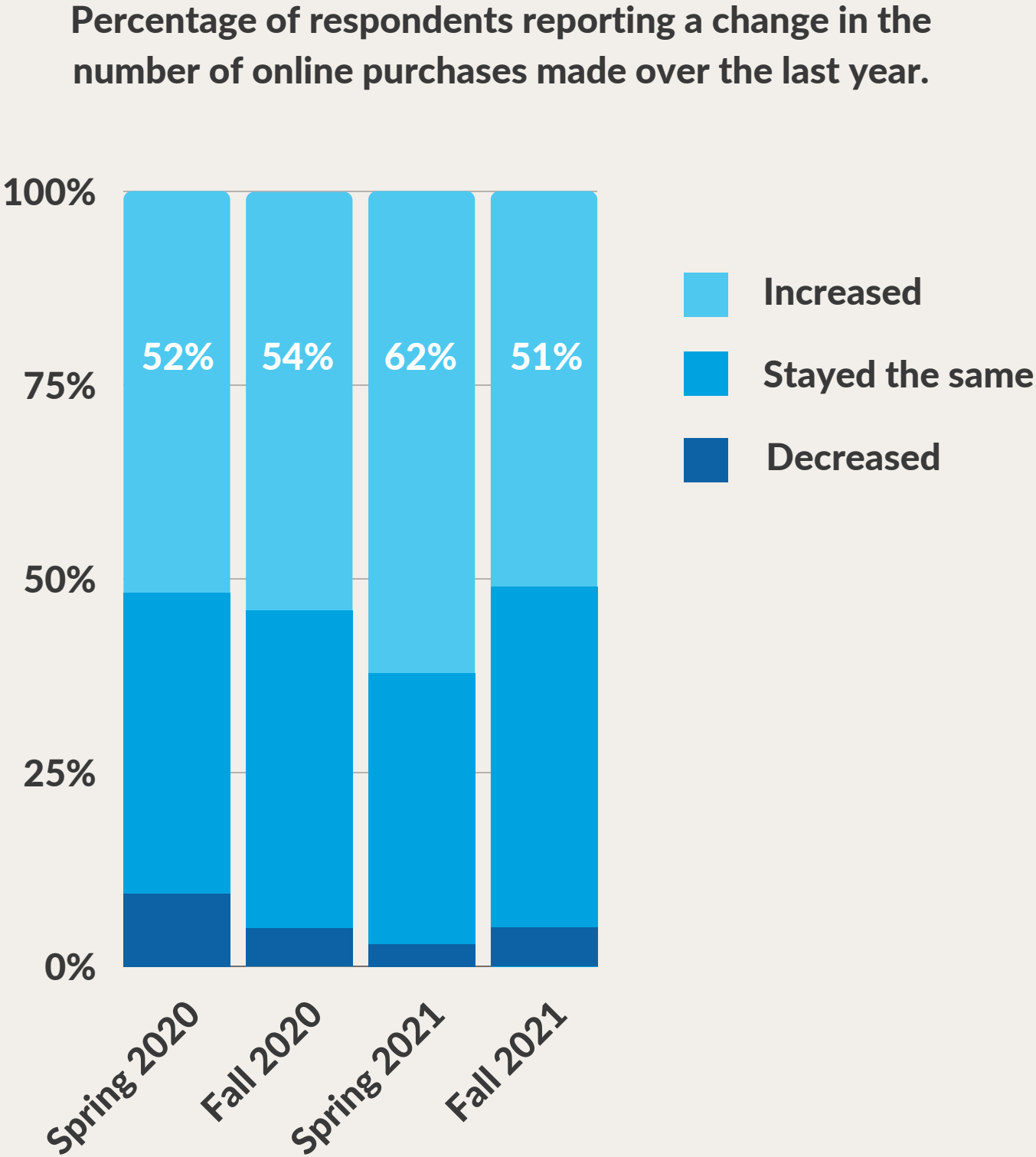
Note: As businesses experienced rapid change early on in the pandemic, new items were added to this question between May and October 2020, therefore no data was collected in May 2020 for certain aspects displayed above. As the situation has continued to evolve, new items were added again in Fall of 2021.



Key finding #2
Customers expect easy-to-use
digitally-enabled experiences,
without the extra fees

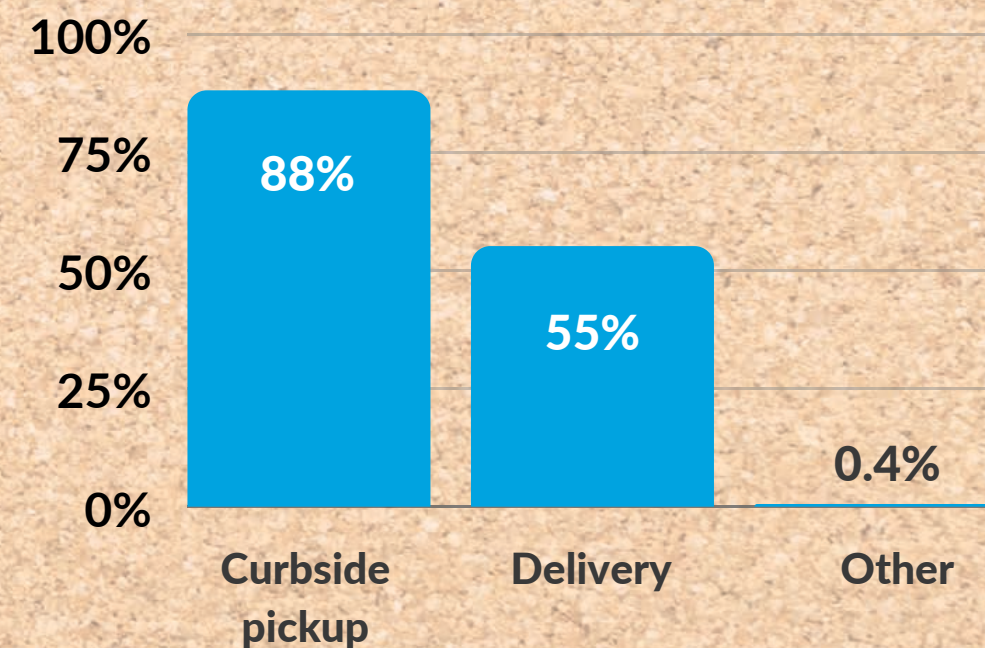
For many food service establishments, the COVID-19 pandemic accelerated many changes that were already underway, from shifts to greater reliance on e-commerce to adoption of 3rd-party delivery services.

So, it comes as no surprise that the majority of respondents continue to report an increase in the number of online purchases made over the last year.

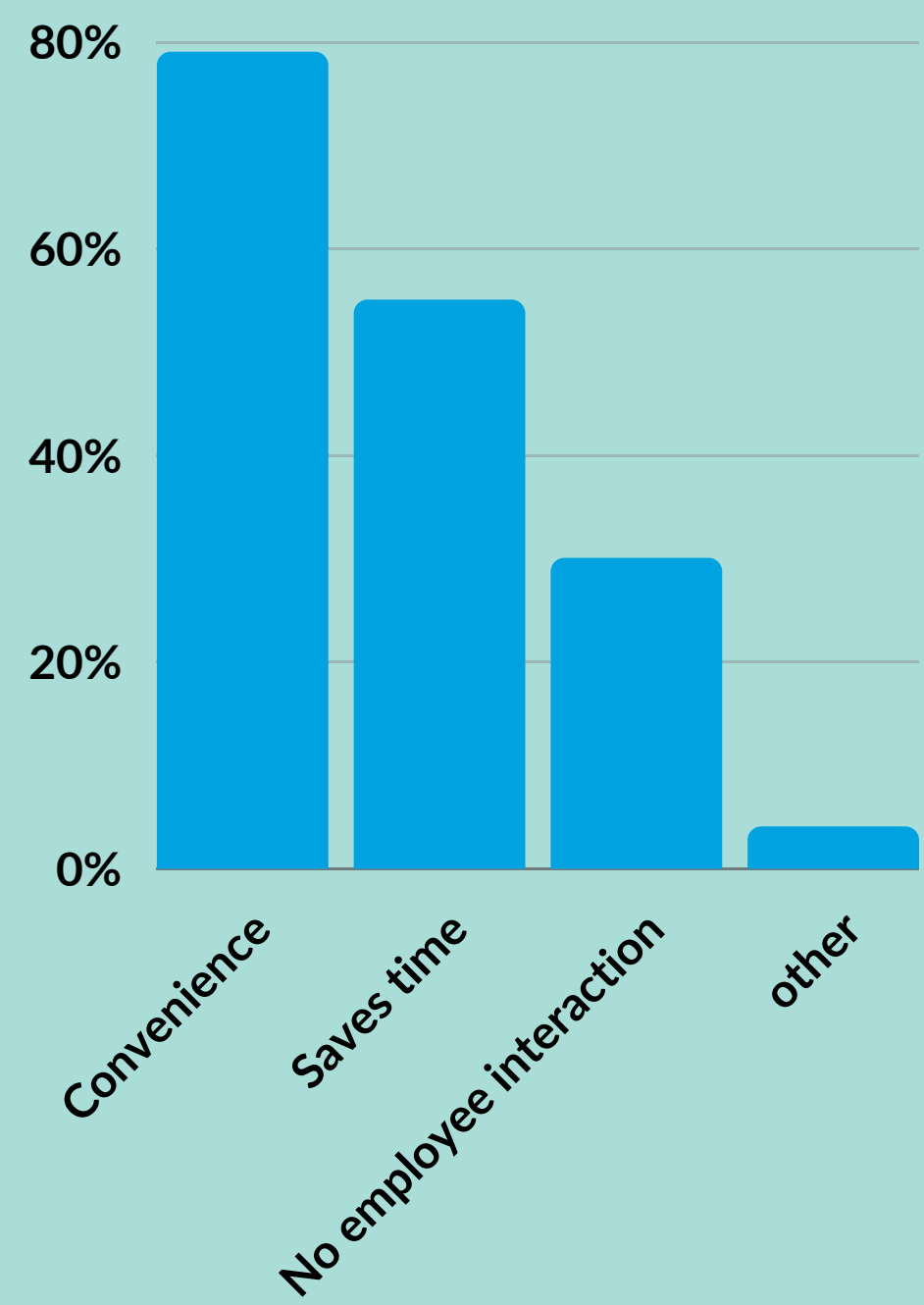


In this latest study, **60% of respondents have reported using alternative ordering or fulfillment methods** such as curbside pickup or delivery, with **curbside pickup taking the top spot.**

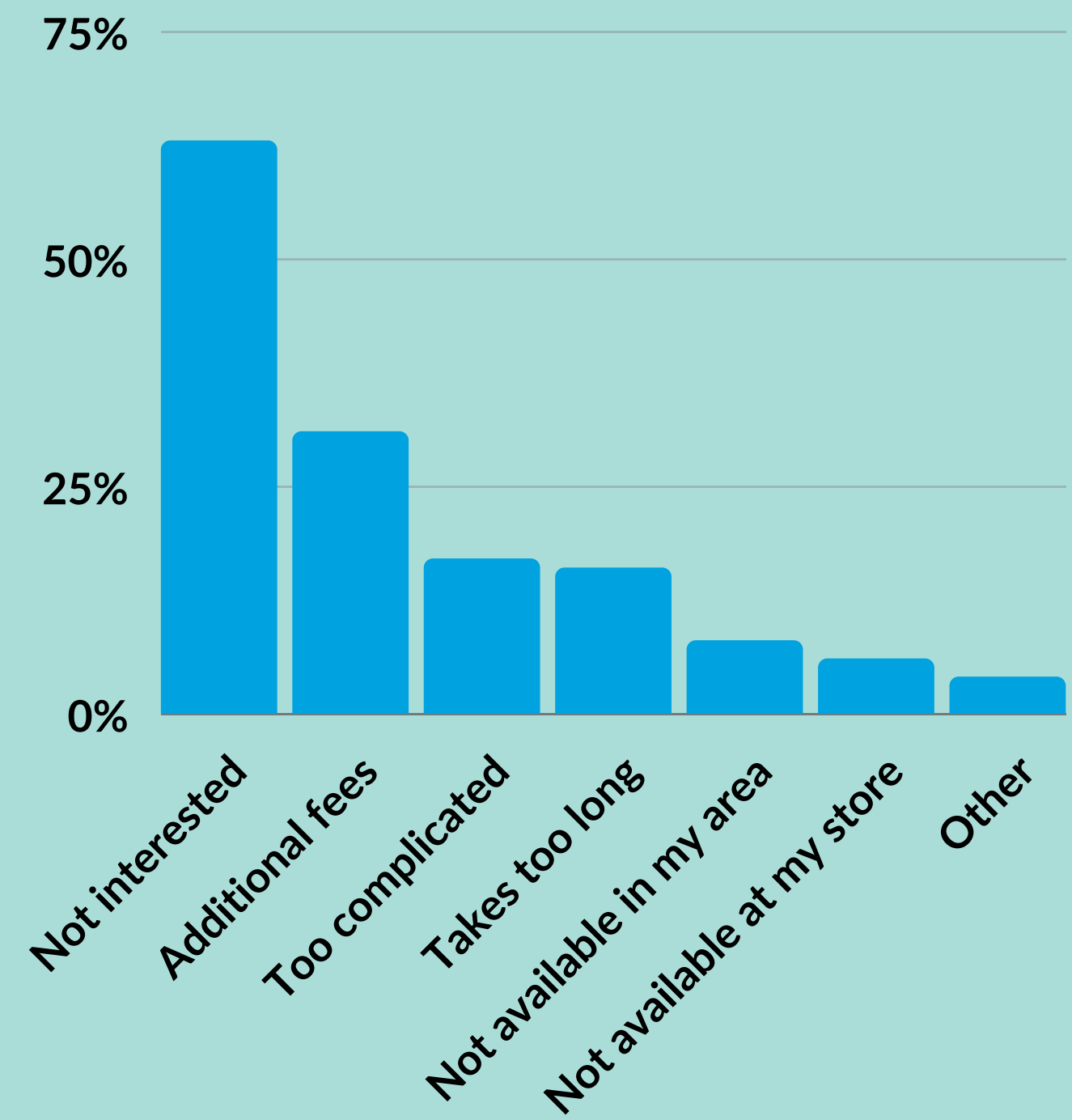
Which alternative fulfillment methods have you used?

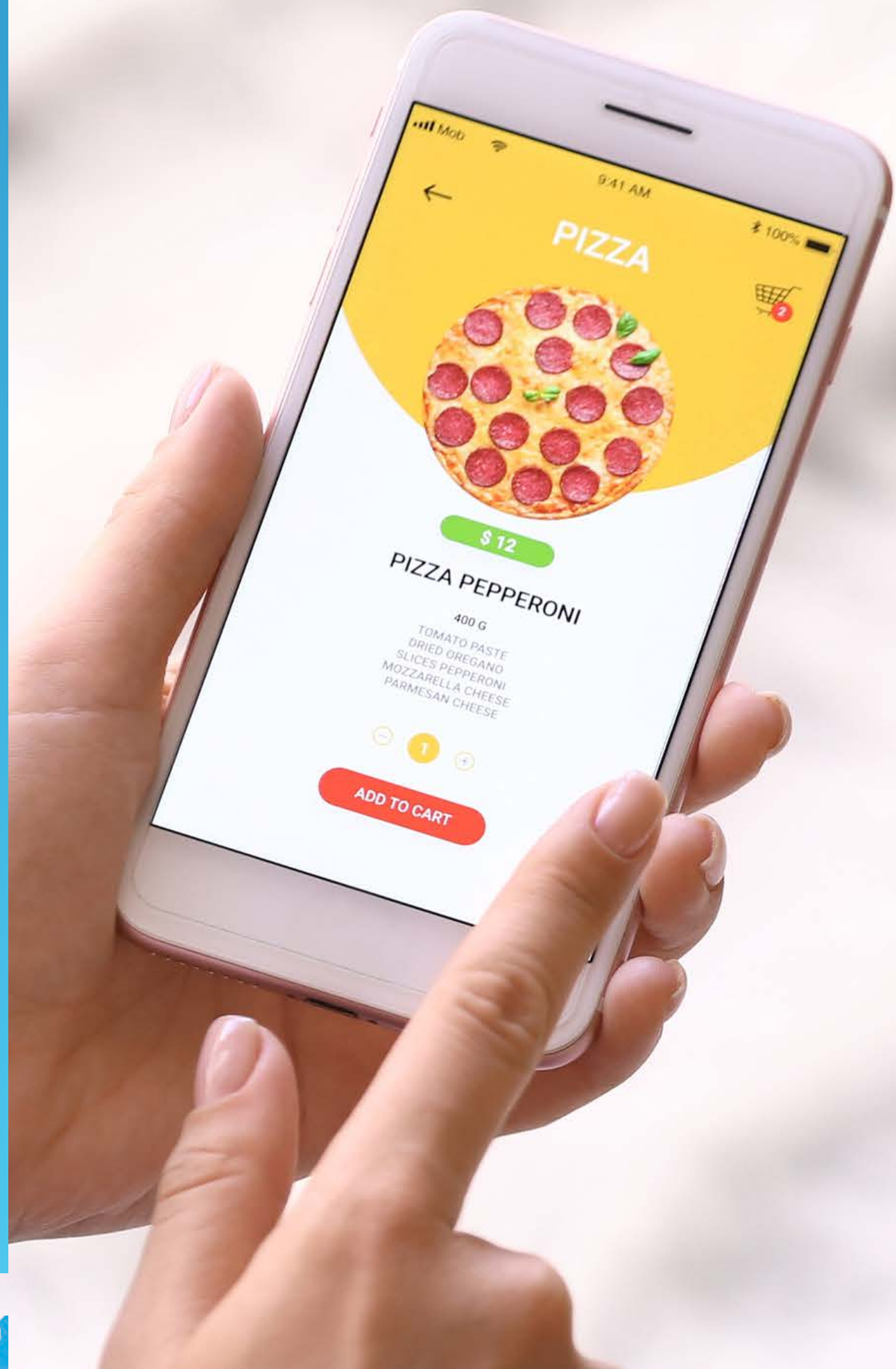


Percentage of respondents reporting why they used an alternative fulfillment method?



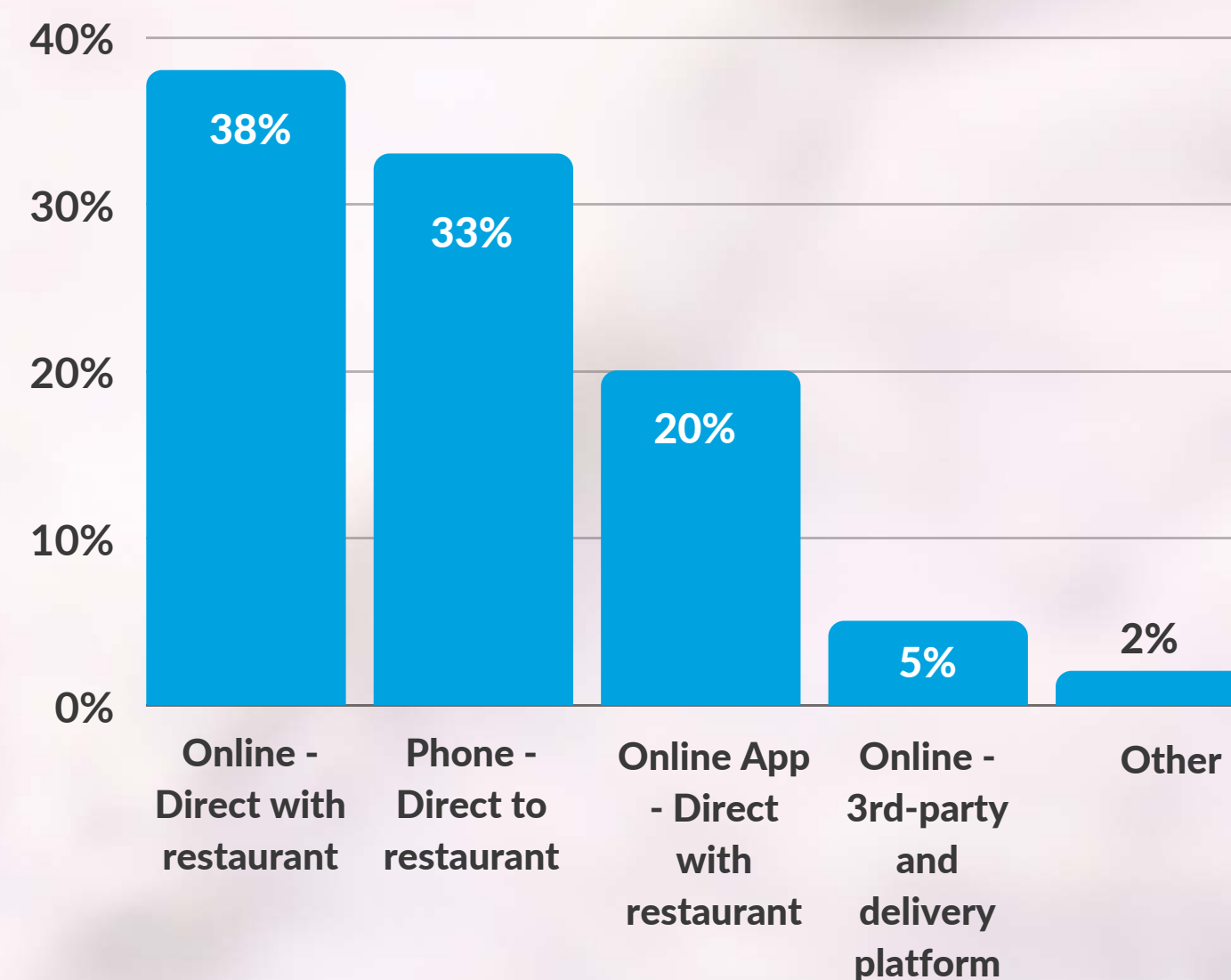
Percentage of respondents reporting why they didn't use an alternative fulfillment method?





When it comes to ordering food to go, consumers demonstrate a strong preference to engage with the establishment directly, whether online or over the phone.

Percentage of respondents reporting their preferred method of purchase when ordering food to go



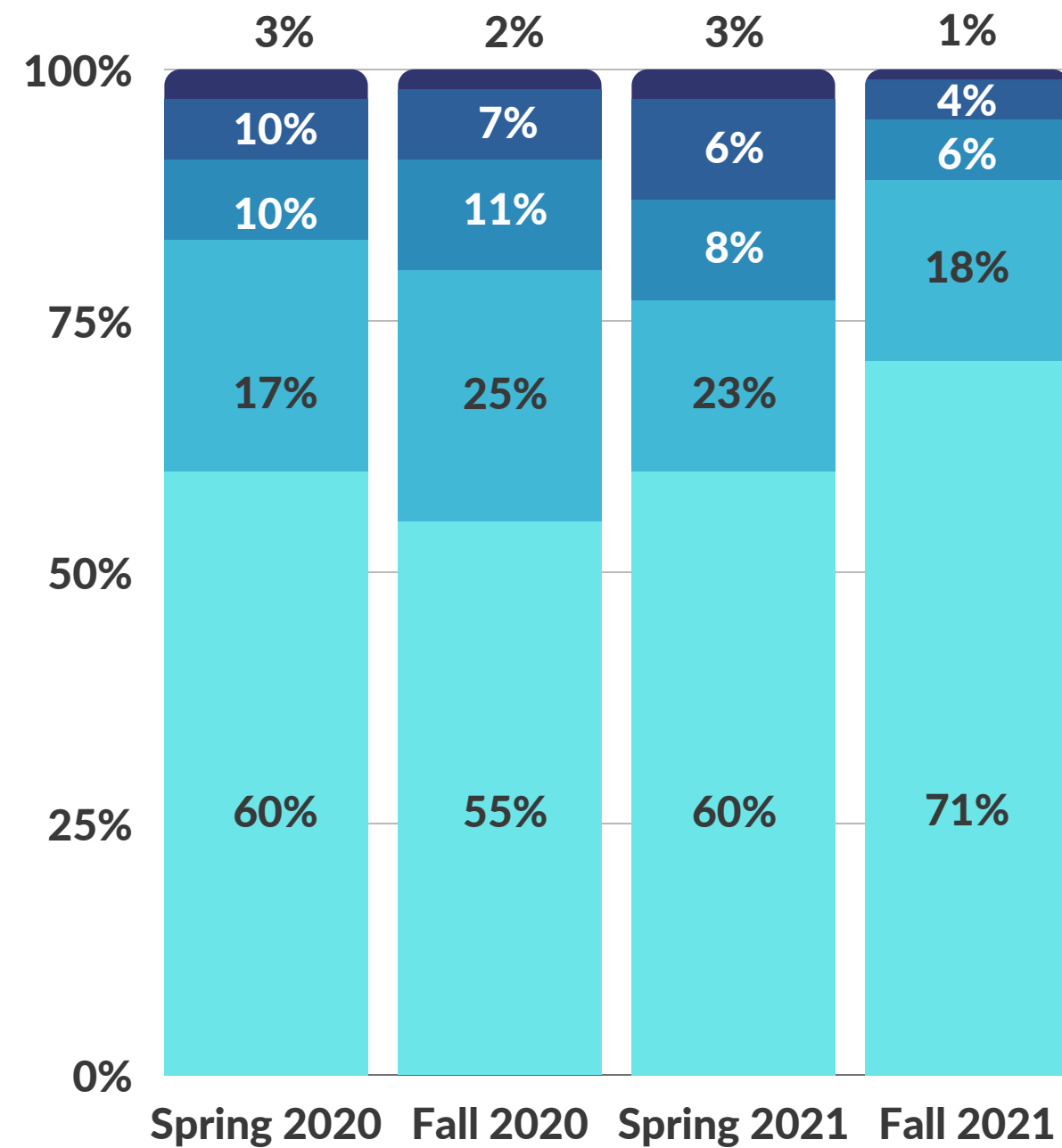
Respondents from all four surveys reported **slightly higher frequency of ordering for delivery direct from the restaurant** over using a 3rd-party food delivery service.

But in both cases, over 70% of respondents have reported not ordering for delivery.

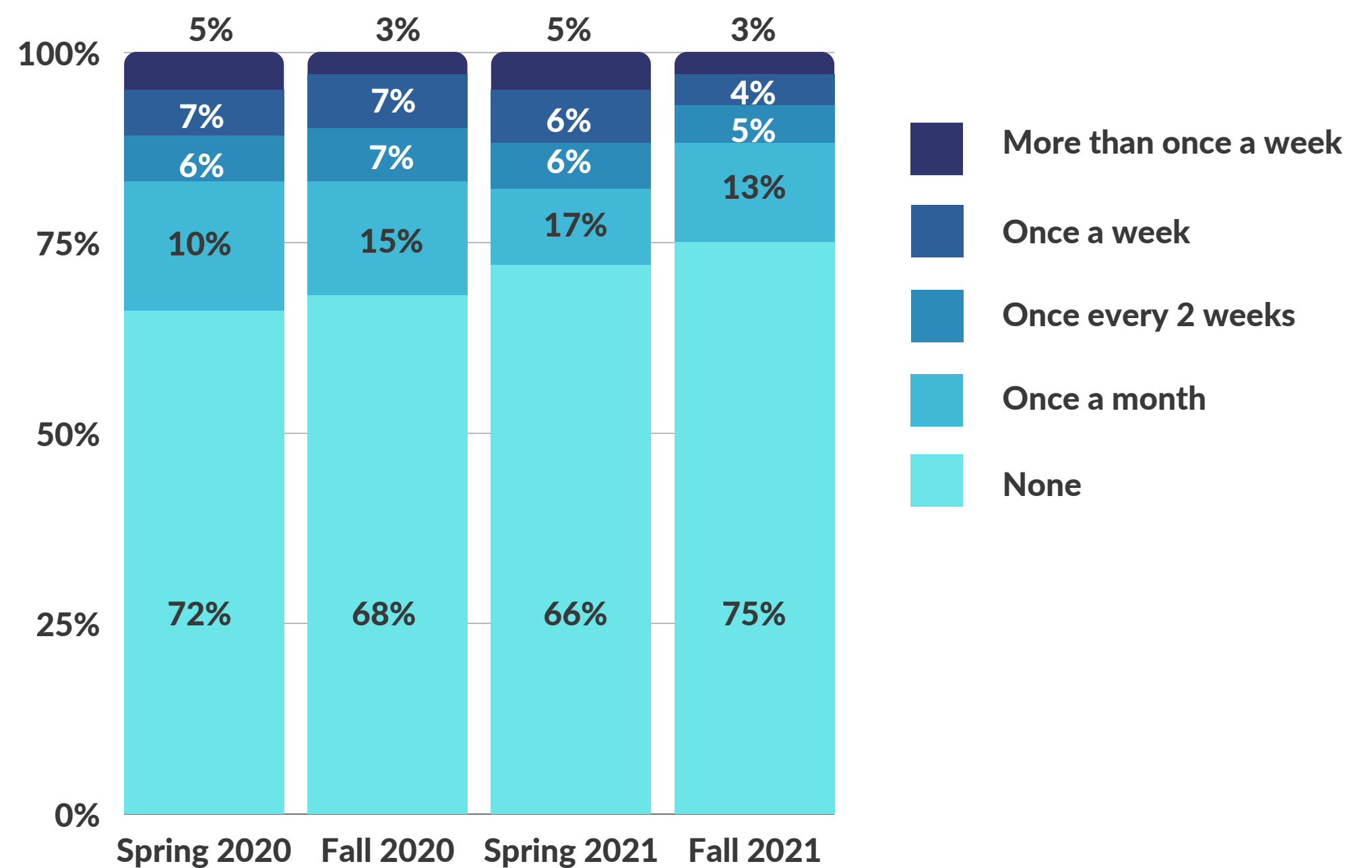


Delivery: Direct from restaurant vs 3rd-party delivery service

Percentage of respondents reporting the frequency of delivery orders placed direct from restaurant



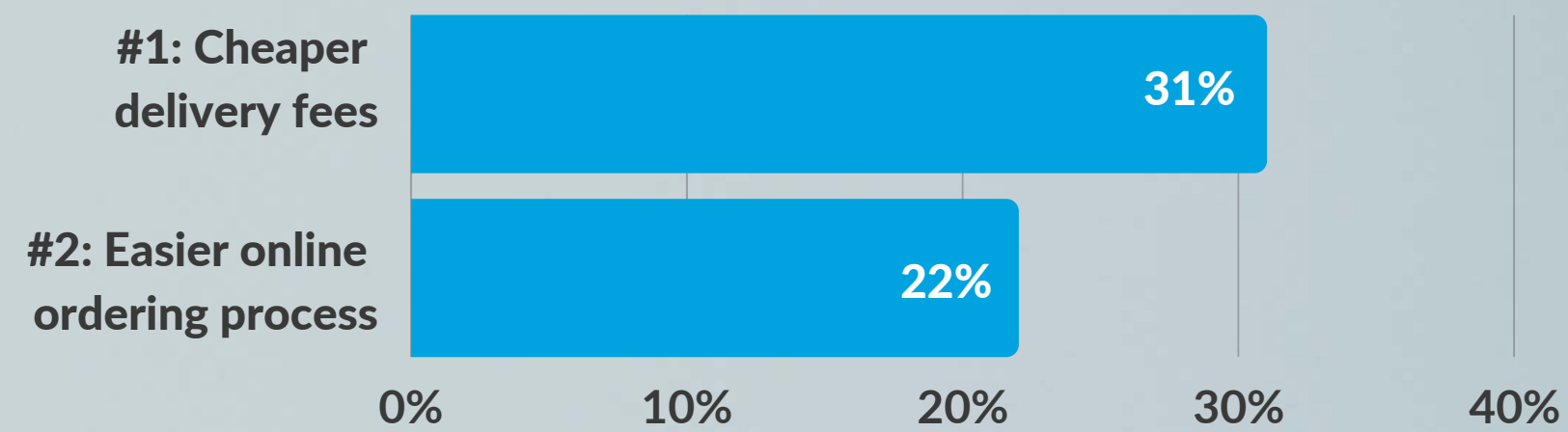
Percentage of respondents reporting the frequency of delivery orders placed using a food delivery service



It's likely that high delivery fees and difficult-to-use ordering systems are deterring some customers from placing orders for delivery.

This is reinforced by **cheaper delivery fees**, followed by a **better ordering process**, being rated the #1 and #2 changes that our respondents want to see businesses make.

Percentage of respondents reporting the number one change they want to see businesses make

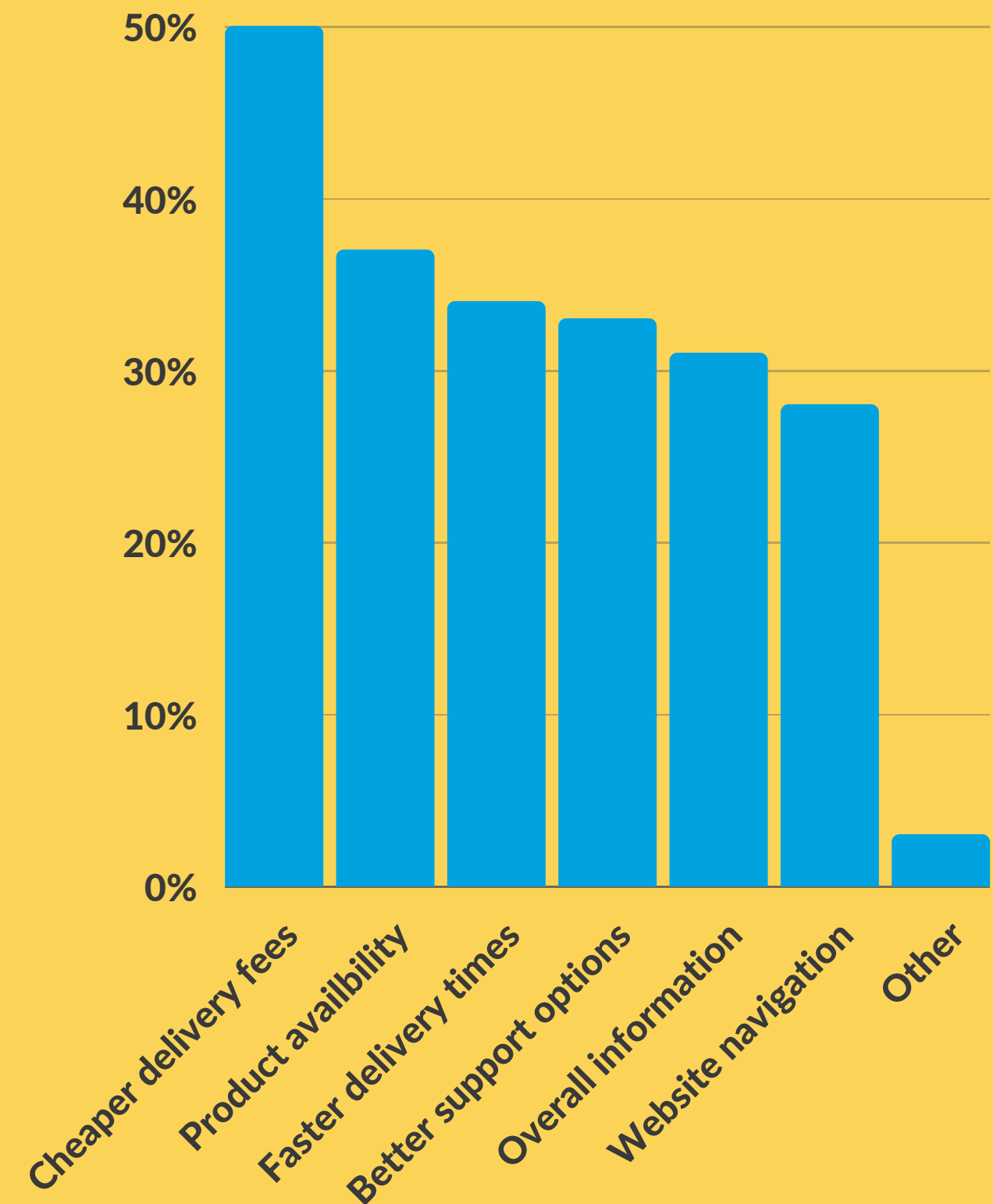


Satisfaction levels with buying online remain steady, with **95% of respondents reporting they are satisfied all or most of the time** when making purchases online, compared to 96% last Spring.

But, following the previous trend, what could make online experiences better?

The Fall 2021 results show **cheaper delivery fees topping the list** in terms of what could make online buying experiences better, followed by product availability and faster delivery times.

Percentage of respondents reporting which factors could make their online experience better

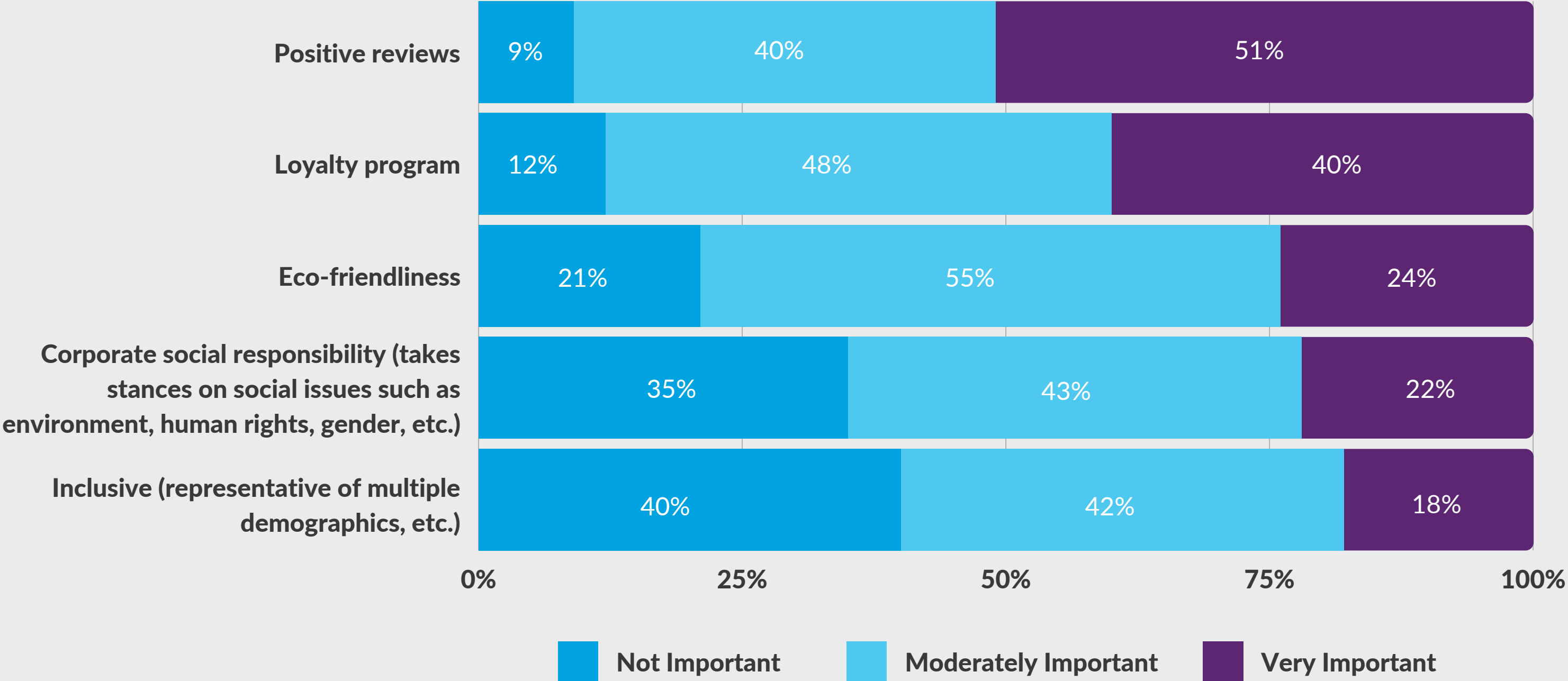




Key finding #3

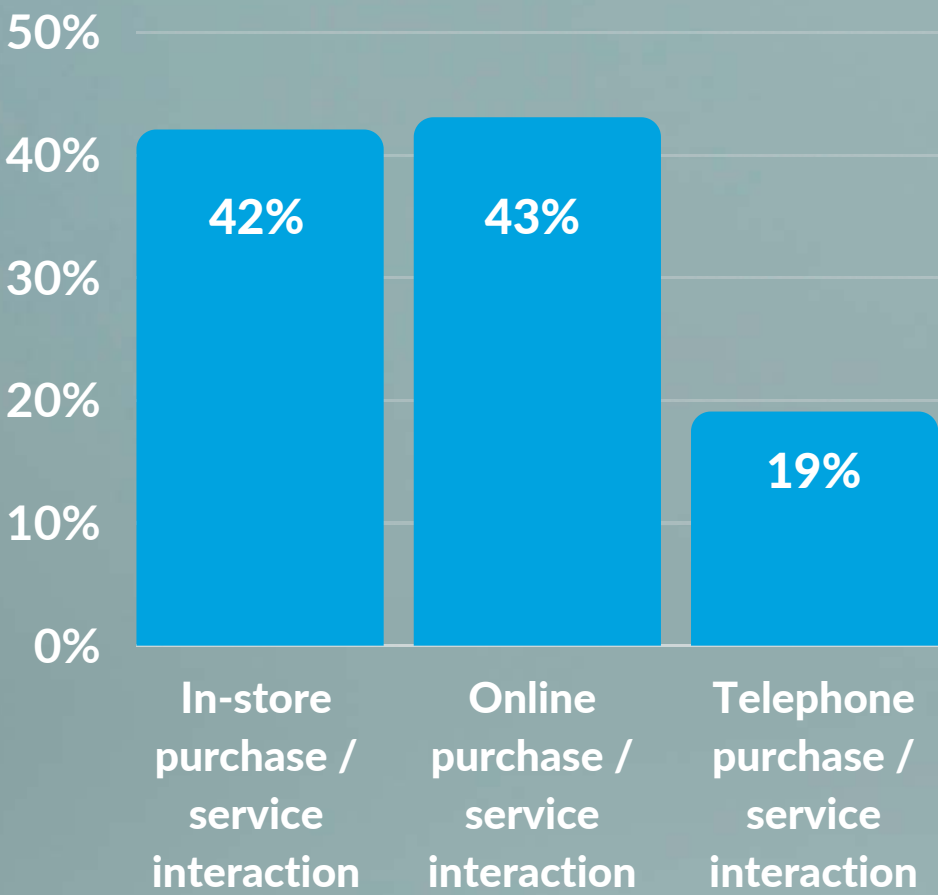
**Positive reviews can make
or break your brand**

When asked to report the level of importance each factor had in influencing a respondent's decision to choose a brand, **51% of respondents said that positive reviews were very important**, followed by loyalty programs at 40%.

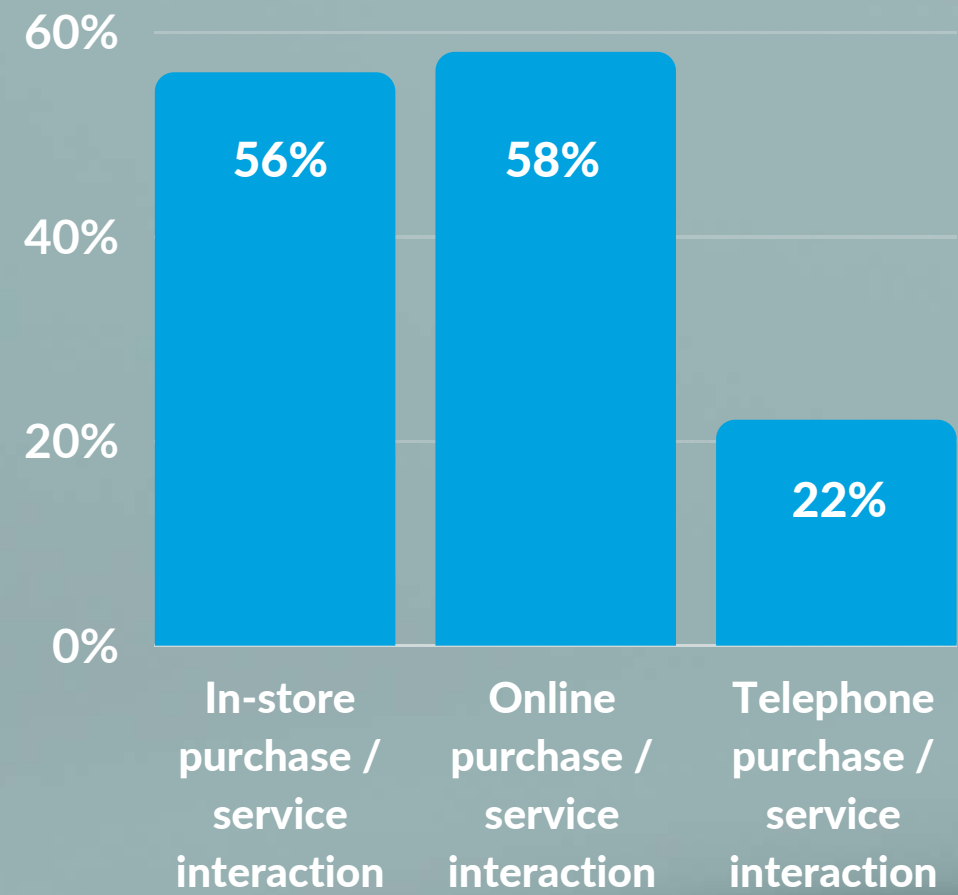


Results show **an increase across the board over last spring** in the frequency that businesses ask for feedback. But with feedback for online interactions topping out at 58%, there's definitely still room for improvement!

Spring 2021: Percentage of respondent reporting they were asked for feedback.



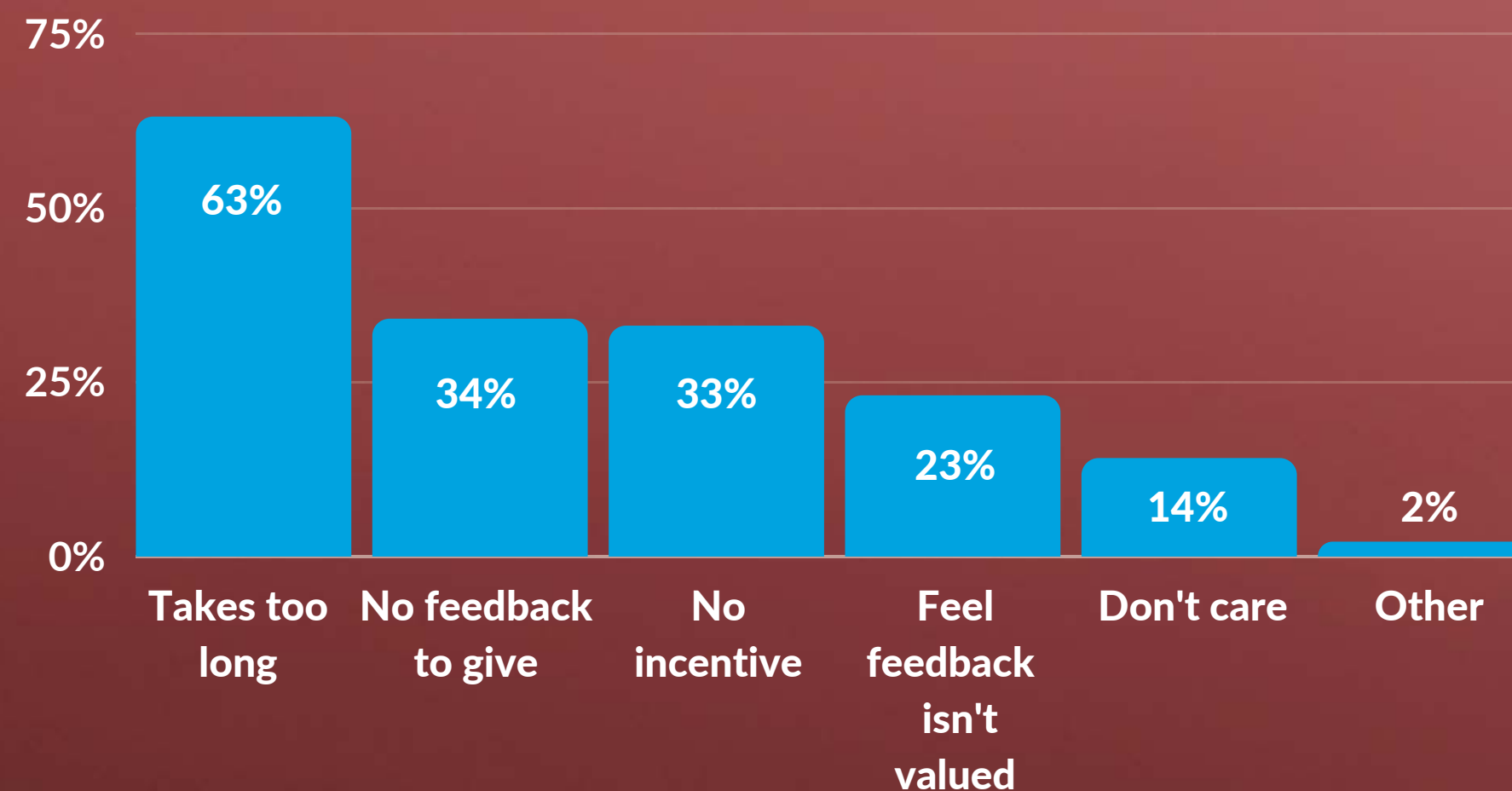
Fall 2021: Percentage of respondent reporting they were asked for feedback.



When considering which method to use to solicit feedback, efficiency is key.

Our findings show that time is the top reason for not providing feedback, with **63% of respondents reported it takes too long.**

Percentage of respondent reporting what prevents them from providing feedback.



The next chapter

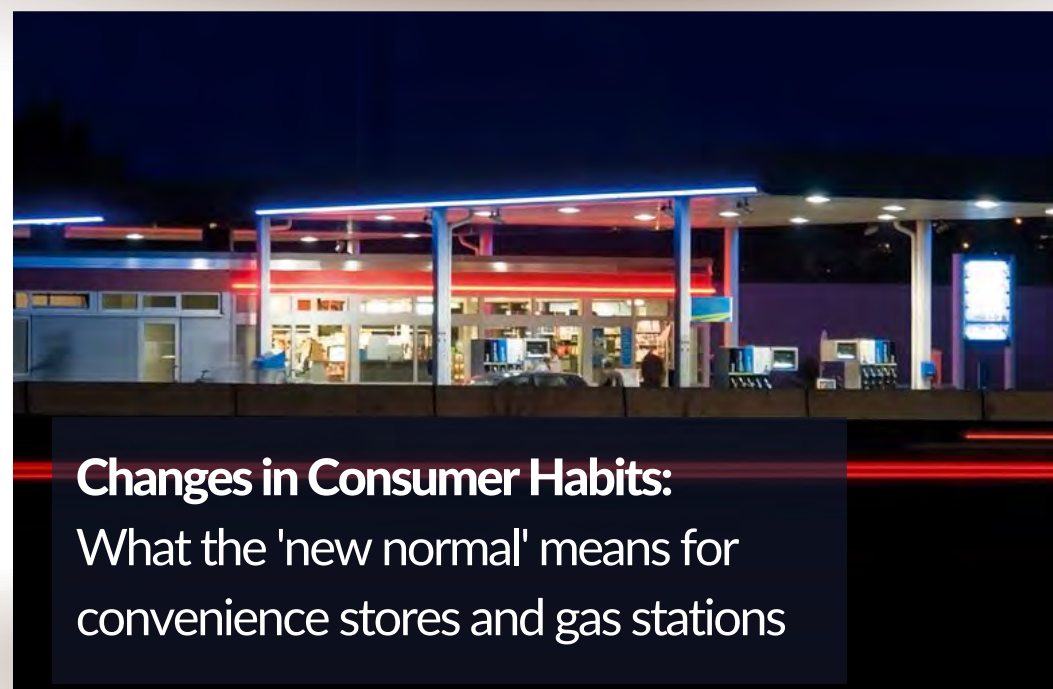
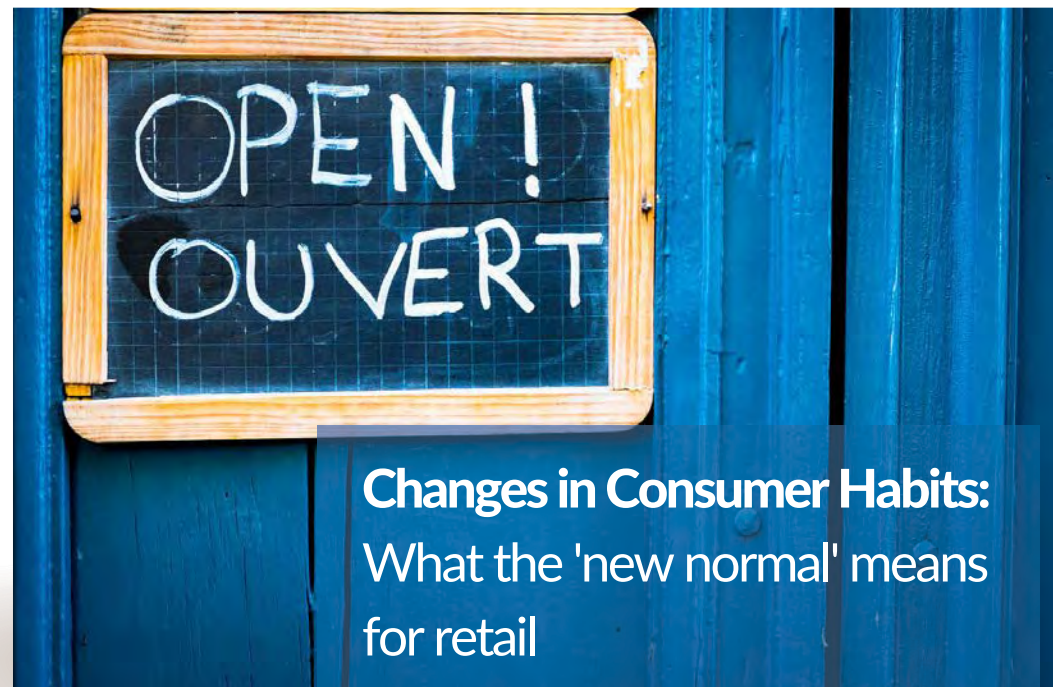
While the COVID-19 pandemic has had a significant impact on consumer habits, overall consumers are ready to re-engage with the brands they love in the ways and means they want to connect.

- Cleanliness and safety, while no longer top of mind, have become established expectations. Continue vigilance when enforcing these measures in order to deliver a safe and comfortable experience and keep customers coming back.
- Digitally-enabled experiences are on the rise and alternative ordering fulfillment methods are here to stay. Optimize these various channels so consumers are given multiple ways to engage with your brand, and listen to customer demands, like lowering delivery fees and creating a better online process to drive loyalty.
- Look for ways to turn your customers into advocates - a positive review can go a long way! Streamline how you ask for feedback, make sure positive feedback is shared publicly, and learn from feedback to improve experiences and attract new customers.



Check out our other reports

Latest Reports: Fall 2021



To download all past reports, visit: www.intouchinsight.com/consumer_habits_reports

Spring 2021

- Changes in Consumer Habits: Looking back over the last 12 months of retail
BONUS! Special feature on grocery and convenience included
- Changes in Consumer Habits: Looking back over the last 12 months for restaurants and food service establishments

May 2020

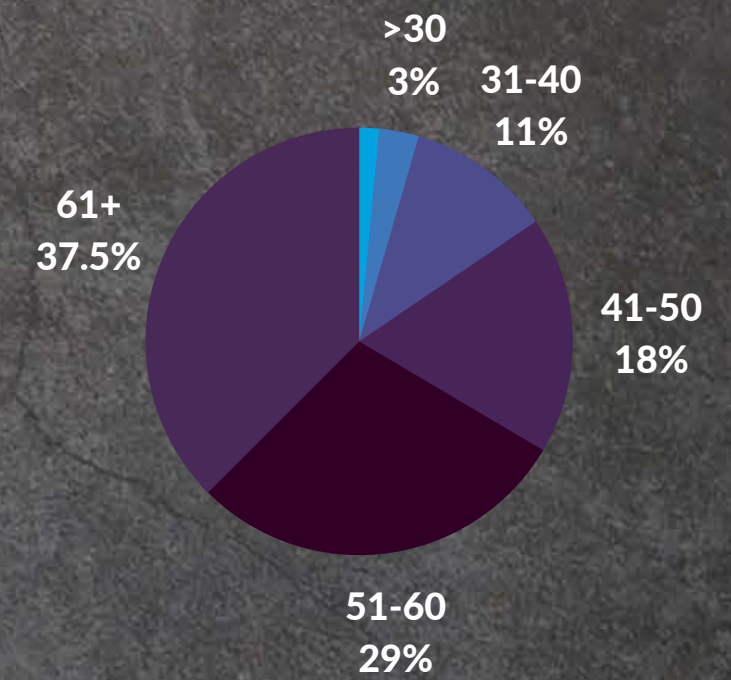
- Changes in Consumer Habits: A Field Study on the Future of Retail
- Changes in Consumer Habits: A Closer Look at Restaurants and Food Service Establishments
- Changes in Consumer Habits: Implications for Convenience and Gas Stations

Fall 2021

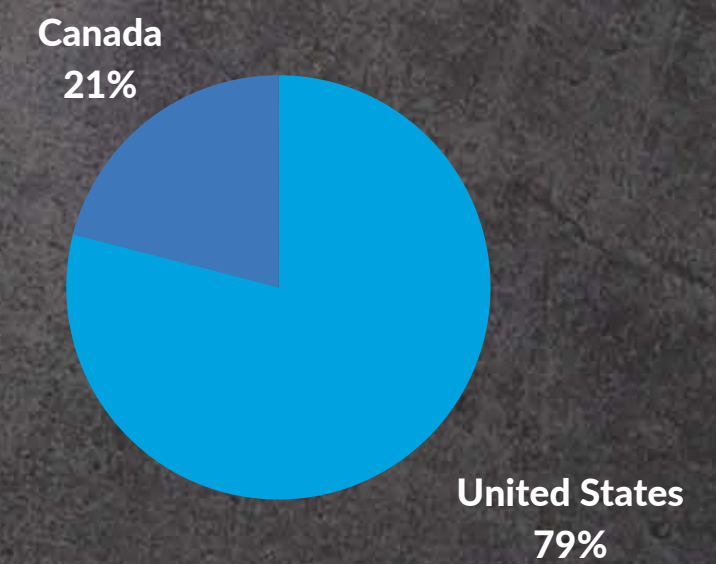
- Changes in Consumer Habits: A Six Month Comparison on the Evolution of Retail
- Changes in Consumer Habits: Looking ahead, learnings for restaurants and food service establishments
- Changes in Consumer Habits: A Six Month Assessment on the implications for Convenience and Gas Stations

Survey Demographics

AGE



LOCATION



About us

At Intouch Insight, our focus is on enabling businesses to collect insights that drive improvement and influence outcomes. Though a lot has changed over our past 40 years in business, our focus remains the same.

We are on a mission to be the leading software and services provider, offering an integrated solution that enables our clients to listen to their customers, interpret the results, and act to align operations with customer expectations.

By leveraging our deep expertise and flexible software platform, our clients are empowered to delight their customers and improve their bottom line.



Please note: For additional survey points and data insights please contact letschat@intouchinsight.com.



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