Understanding shifting definitions, demands and expectations with food and sustainability.

SUSTAINABILITY IN A PANDEMIC

research report:
Objective:
Define aspects of sustainability related to food.
Assess how these issues affect consumer purchase behavior related to food via various distribution channels.

Methodology:
An online survey, developed cooperatively between Menu Matters and C.O.nxt, to a nationally representative sample of consumers.
750 consumers nationwide completed the survey.
**Key findings:**

Sustainability is increasingly enveloping societal issues such as diversity and welfare issues for both animals and workers.

Consumers are generally more concerned now about sustainability, driven by the impact of the pandemic on food workers, climate change overall, and the increased use of single-use disposables.

Based on verbatims, it appears consumers believe it’s in the company’s best interest to not make false claims. Consumer demand is strong enough for many products that it behooves a company to create products and services that meet these demands.

Overall, consumers are more likely to trust smaller operators – farmers, manufacturers, restaurants – than larger organizations. The media is now the least trusted player in the food system.

Consumers are placing a greater emphasis on specific claims rather than vague, broad claims. In particular, claims reducing the impact of ingredients and specific efforts against animal welfare have the broadest impact.

Consumers see manufacturers and restaurants as doing a better job and having a more positive impact on sustainability than before the pandemic. For restaurants, sourcing locally, carefully sourcing sustainable ingredients, and condiments by request are helping to support this positive perception.

The only issues that are more important to consumers than sustainability are hygiene and safety related (mask wearing, sanitizing, etc.).
**Key findings:**

Consumers across all demographics are more concerned now about farmer and farm worker safety. Whether ordering directly from a farmer or a manufacturer, consumers generally see it as a more sustainable activity than shopping at retail.

Gen Z, Millennials and those placing an emphasis on sustainability are all significantly more likely to pay more. This may help support ongoing sustainability efforts in agriculture, manufacturing, restaurants and the food industry.

As consumers increasingly tie sustainability to include economic factors such as fairness in pay and conditions for workers, companies that focus on these issues may be able to better support price premiums their products require.
OUR FINDINGS & ANALYSIS
The pandemic hasn’t reduced the importance of sustainability.

80% of consumers indicate sustainability is important to some degree with over half indicating it is extremely or very important.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>EXTREMELY IMPORTANT</th>
<th>VERY IMPORTANT</th>
<th>TOP 2 BOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-29</td>
<td>37.0%*</td>
<td>28.4%</td>
<td>65.4%*</td>
</tr>
<tr>
<td>30-44</td>
<td>31.6%</td>
<td>29.0%</td>
<td>60.6%*</td>
</tr>
<tr>
<td>45-60</td>
<td>23.7%</td>
<td>27.2%</td>
<td>50.9%</td>
</tr>
<tr>
<td>&gt;60</td>
<td>15.9%*</td>
<td>31.2%</td>
<td>47.1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>24.1%</td>
<td>29.8%</td>
<td>53.9%</td>
</tr>
</tbody>
</table>

*Statistically significantly higher than total

Q: Based on your definition of sustainability, how important is sustainability to you when deciding what foods and beverages to purchase from a supermarket or order from a restaurant? (n=922)
Increasingly, sustainability is far more than the environment.

As consumers increasingly tie sustainability to include economic factors such as fairness in pay and conditions for workers, companies that focus on these issues may be able to better support price premiums their products require.

**Q:** Think about how you personally define the idea of sustainability. Which of the following issues do you include in your personal definition of sustainability, particularly as it pertains to food? Select all that apply. (n=922)

- Reduced waste
- Recycling, composting
- Water conservation
- Raising crops with minimal artificial inputs
- Affordable food for all members of society
- Food produced on family-owned farms
- Humanely raised animals/animal welfare
- Climate change
- Fair wages for food workers
- Reduced use of fossil fuels
- Worker safety
- Fair economic return for food businesses
- Reduced consumption of animal products
- Social justice
- Gender equality
- Diversity/inclusion in workforce
- All of the above
- Other

47.4% 47.3% 44.8% 41.7% 41.5% 36.0% 35.7% 31.2% 31.0% 30.9% 27.3% 25.4% 23.6% 18.4% 16.6% 16.2% 22.9% 2.9%
Most consumers are more concerned now about sustainability.

REASONS FOR CONCERN

- Impact on food workers: 51.0%
- Climate change: 43.3%
- Increased use of single use plastics: 35.0%
- Wildfires: 33.5%
- Inequities of food availability: 29.3%
- Disposable masks/ gloves: 27.4%
- Too much concern over availability vs food production: 26.2%
- Increased purchasing of packaged foods: 25.2%

Q: Based on your definition of sustainability, how important is sustainability to you when deciding what foods and beverages to purchase from a supermarket or order from a restaurant? (n=922) 
Q: What has made you more concerned about sustainability and food versus a year ago? Please select all that apply. (n=492) 
Q: What has made you less concerned about the sustainability versus a year ago? Please select all that apply. (n=96)
Consumers have trust in sustainability claims.

Younger consumers – Gen Z and Millennials – and those placing the greatest importance on sustainability are more likely to completely trust claims. Boomers, by contrast, are significantly less likely to trust claims.

**Q:** Many food manufacturers and restaurants make claims about sustainability related to food and beverage products they provide; how much do you trust these claims? (n=884)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Completely Trust</th>
<th>Somewhat Trust</th>
<th>Top 2 BOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-29</td>
<td>18.9%*</td>
<td>27.6%</td>
<td>46.5%</td>
</tr>
<tr>
<td>30-44</td>
<td>15.1%*</td>
<td>36.2%</td>
<td>51.3%*</td>
</tr>
<tr>
<td>45-60</td>
<td>5.9%</td>
<td>37.9%</td>
<td>43.8%</td>
</tr>
<tr>
<td>&gt;60</td>
<td>4.4%</td>
<td>31.2%</td>
<td>35.6%</td>
</tr>
<tr>
<td>Sustainability is extremely important</td>
<td>23.3%*</td>
<td>35.0%</td>
<td>58.3%*</td>
</tr>
<tr>
<td>Sustainability is very important</td>
<td>4.3%</td>
<td>41.2%</td>
<td>45.5%</td>
</tr>
<tr>
<td>Total</td>
<td>8.9%</td>
<td>33.5%</td>
<td>42.4%</td>
</tr>
</tbody>
</table>

*Statistically significantly higher than total

SUSTAINABILITY IN A PANDEMIC: Understanding shifting definitions, demands, and expectations with sustainability.
Verbatims: Reasons for Distrust.

“I feel like some manufacturers make that claim to gain consumers. I “trust” but verify and share the information I learn with family and friends.”

Verbatims: Reasons for Trust.

“Depends on the food manufacturer or restaurant. The ones I patronize are the ones I have checked out and am relatively confident in their claims.”

Q: Why do you distrust sustainability claims made by food manufacturers and restaurants? Please be as specific as possible. (n=170)

Q: Why do you trust sustainability claims made by food manufacturers and restaurants? Please be as specific as possible. (n=344)
Consumers are looking for more specifics in sustainable claims.

Consumers want specifics on the environmental impact of ingredients and animal welfare.

**TRUSTWORTHY SUSTAINABILITY CLAIM TYPES**

- Claims that put specific parameters around sustainability efforts: 22.1%
- Sustainability claim regarding specific ingredients: 20.9%
- Claims specifying how the company defines sustainability: 33.9%
- General sustainability claim: 23.1%

**IMPORTANT SUSTAINABILITY STATEMENTS**

- A commitment to assessing the overall environmental footprint of ingredients in products they serve: 44.1%
- A commitment to animal welfare and care standards related to animal products they serve: 41.5%
- A broad-based commitment to sustainable goals and transparent reporting across their organization: 31.8%
- Societal commitments related to the communities where they operate and to global needs that fit their business: 25.6%
- Diversity, equity and inclusion commitments regarding staff and suppliers: 25.4%
- None of the above: 13.4%

Q: Which of the following types of claims would you trust the most from a food/beverage manufacturer and/or restaurant? (n=800)

Q: What types of statements from food manufacturers are important to you regarding sustainability? Please select all that apply. (n=792)
SUSTAINABILITY IN A PANDEMIC: Understanding shifting definitions, demands, and expectations with sustainability.

Verbatims: Reasons for Positive Change.

“Because I think people have become more aware of manufacturers during this pandemic and I feel they will improve their standards.”

Verbatims: Reasons for Worsening.

“I believe that the number of manufacturers & restaurants that have gone out of business will lessen the motivation to be more sustainable of many of those that survive, since there will be less competition. Most companies still go by the bottom line, no matter how well-intentioned they may seem.”

Q: Why do you believe changes food/beverage manufacturers and restaurants have made in response to the pandemic will improve sustainability? Please be as specific as possible. (n=377)

Q: Why do you believe changes food/beverage manufacturers and restaurants have made in response to the pandemic will worsen sustainability? Please be as specific as possible. (n=127)
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**Sustainability is more important than most issues.**

Food safety and hygiene are almost a default. They always score high. It also makes sense that hygiene and masks get high marks during a pandemic.

<table>
<thead>
<tr>
<th>Area</th>
<th>Sustainability More Important Than</th>
<th>Sustainability Less Important Than</th>
<th>Not Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single use food packaging, straws, etc.</td>
<td>57.1%</td>
<td>25.6%</td>
<td>17.4%</td>
</tr>
<tr>
<td>Wide variety of produce at the supermarket</td>
<td>50.4%</td>
<td>30.8%</td>
<td>18.8%</td>
</tr>
<tr>
<td>Wide variety of retail foods/ beverage</td>
<td>50.2%</td>
<td>29.5%</td>
<td>20.3%</td>
</tr>
<tr>
<td>Lower/ no fees for supermarket/ grocery delivery</td>
<td>49.3%</td>
<td>27.0%</td>
<td>23.7%</td>
</tr>
<tr>
<td>How the company producing food operates</td>
<td>49.2%</td>
<td>30.4%</td>
<td>20.4%</td>
</tr>
<tr>
<td>Ordering anything I want/ need online</td>
<td>48.9%</td>
<td>31.2%</td>
<td>19.9%</td>
</tr>
<tr>
<td>Purchasing anything I want/ need from a store</td>
<td>48.7%</td>
<td>30.9%</td>
<td>20.4%</td>
</tr>
<tr>
<td>More options on the menu</td>
<td>48.5%</td>
<td>28.6%</td>
<td>22.9%</td>
</tr>
<tr>
<td>Touch-free packaging for delivered restaurant food</td>
<td>47.2%</td>
<td>31.6%</td>
<td>21.2%</td>
</tr>
<tr>
<td>Ordering groceries online for home delivery</td>
<td>46.1%</td>
<td>27.9%</td>
<td>26.0%</td>
</tr>
<tr>
<td>Lower/ no fees for restaurant delivery</td>
<td>46.1%</td>
<td>25.0%</td>
<td>29.0%</td>
</tr>
<tr>
<td>Living in an urban area</td>
<td>45.6%</td>
<td>27.7%</td>
<td>26.7%</td>
</tr>
<tr>
<td>Ordering food directly from manufacturers for home delivery</td>
<td>45.2%</td>
<td>28.5%</td>
<td>26.3%</td>
</tr>
<tr>
<td>Resuming in-person dining</td>
<td>43.9%</td>
<td>28.5%</td>
<td>21.2%</td>
</tr>
<tr>
<td>Living in a suburban/rural area</td>
<td>42.8%</td>
<td>29.8%</td>
<td>27.3%</td>
</tr>
<tr>
<td>Commuting to work/ working in an office</td>
<td>42.3%</td>
<td>32.9%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Requirements to wear masks</td>
<td>42.1%</td>
<td>33.2%</td>
<td>15.1%</td>
</tr>
<tr>
<td>Resuming travel/ tourism</td>
<td>41.9%</td>
<td>41.9%</td>
<td>24.6%</td>
</tr>
<tr>
<td>Food safety</td>
<td>41.9%</td>
<td>41.9%</td>
<td>16.2%</td>
</tr>
<tr>
<td>Sanitation/ hygiene</td>
<td>39.0%</td>
<td>45.3%</td>
<td>15.7%</td>
</tr>
</tbody>
</table>

Q: For each of the following issues below, please indicate which of the statements is true for you. (n=759)
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Restaurants are generally seen as doing a good job.

Buying local and sourcing sustainable ingredients, often activities restaurants can leverage through marketing and other communication, remain the key sustainable activities for restaurants from a patron perspective. Some pandemic-driven activities such as condiments by request and more efficient to-go packing may remain given the sustainable perception these activities have.

Q: Which of the following statements is true for you regarding restaurants now? (n=692)

- Significantly better job now than before the pandemic: 19.8%

Q: Which of the following restaurant activities do you believe result in a more sustainable operation? Please select all that apply. (n=692)

- Carefully source sustainable ingredients: 40.7%
- Condiments by request: 37.0%
- Multiple items into one to-go container: 31.8%
- Reduced seating capacity: 28.0%
- Reduced menu size: 23.2%
- Utensils by request: 21.5%
- Smaller portion sizes: 19.4%
- Using third party delivery companies: 16.8%
- Reduced hours of operation: 16.0%
- Limiting customization options: 14.3%
- All of these: 10.9%
- None of the above: 8.8%
Consumers are more concerned now about farmer’s ability to make a living.

The pandemic did shift consumers’ concern over farmer and farm worker safety with over half now more concerned about that versus a year ago, but the more significant shift was in the concern over whether farmers can make a living. This may provide an opportunity for manufacturers and food service operators to support higher prices if they can show that products support farm and farm worker wages.
Over half are willing to pay more for greater sustainability.

Q: Ultimately, many sustainability efforts will increase the cost of labor, ingredients and energy which will force food/beverage manufacturers and restaurants to increase their prices. Considering how important sustainability is to you, to what degree are you willing to pay more to ensure our food system is as sustainable as you believe it should be. (n=734)

- Statistically significantly higher than total
SAMPLE DEMOGRAPHICS
SUSTAINABILITY IN A PANDEMIC: Understanding shifting definitions, demands, and expectations with sustainability.
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Menu Matters, headed by Maeve Webster, is a leading consultancy for foodservice manufacturers, operators, agencies and commodity boards. Maeve has spearheaded hundreds of major industry studies during her 19 years as a foodservice specialist, and today runs a private consultancy focused on helping manufacturers and operators analyze, understand, and leverage trends from menuing to consumer behavior. Maeve’s expertise is in the areas of trend analysis and evaluation, opportunity assessment, consumer and operator behavior, product testing, and menu and brand optimization.

Mark Gale, Chief Growth Officer
m: 262.227.8498
e: mgale@co-nxt.com

Maeve Webster, President
m: 802.430.7085 or 312.420.0724
e: maeve@menumatters.com