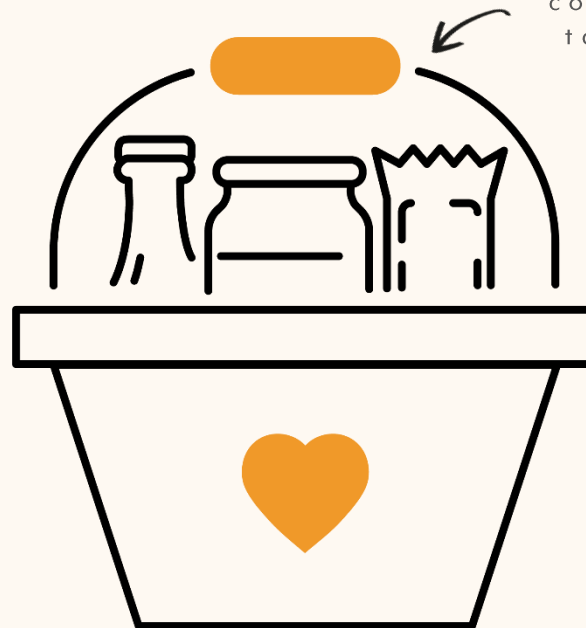


FOODBYTES



how operators are
encouraging
consumers to give –
and what some are
getting in return


operators across the
country are turning to
takeout and delivery



key ways
operators
are evolving
to adapt

HOW THE INDUSTRY IS
BANDING TOGETHER &
PIVOTING BUSINESS
STRATEGIES IN THE
WAKE OF **COVID-19**

data from our
COVID-19
research inside

 yes, we checked – it
really is only march.

MARCH 2020

| ISSUE 64 |

YOUR FREE DATASSENTIAL
TREND REPORT

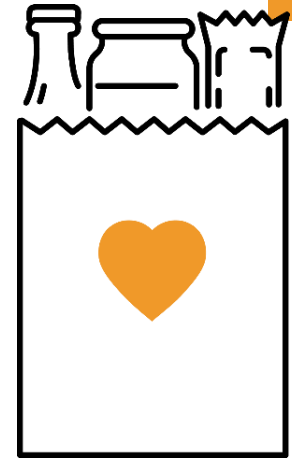
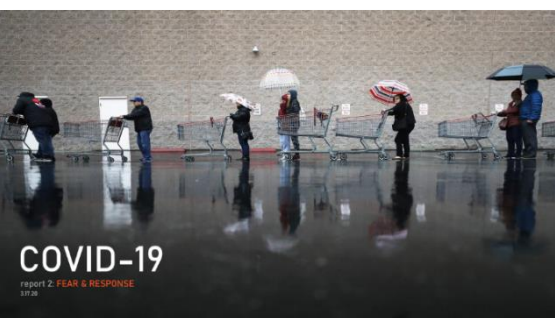


This is a peculiar and challenging time for us all. But no other industry is suffering more than our restaurant industry. ‘The economy stands to lose 4% of GDP without immediate assistance to local restaurants,’ notes the Independent Restaurant Coalition. Luckily, the industry is full of creative, imaginative individuals who are pivoting to meet the needs of our current crisis. And hopefully, in time, it will be easier and easier for us to continue enjoying the culinary talents of those in our home towns.

-FORBES

“How Restaurants are Innovating
During The COVID-19 Pandemic.”

Datassential has released the first four in our series of COVID-19 Hotshot Reports, each covering a different aspect of how the pandemic is affecting the food industry.



INSIGHTS DELIVERED: HOW OPERATORS ARE ADJUSTING TO COVID-19

The current COVID-19 pandemic has quite literally affected every aspect of the food industry (and the world) as we know it. And that's not to be dramatic. From social distancing to stricter shelter-in-place and stay-at-home orders being the norm in many parts of the country, everything that was once normal – happy hours, sitting down to a nice dinner out, picking up some fresh produce from farmers' markets, sending kids to school with lunch money – has been flipped upside down, leading to cascading effects that have reached every corner of the food world. Restaurants in all 50 states have been now been affected by closures – as of March 25, there are state-wide mandated dining room closures in 45 states while the remaining 5 states have smaller-scale (county or metro) stipulations. And according to the most recent jobless claims report, more than 3.2 million Americans filed for unemployment, the highest number of jobless claims in U.S. history.

But there are reasons for hope and positivity. The restaurant industry is one of the most creative industries in the country, and chefs, owners, operators, and employees have been developing new ideas and offering whatever it is consumers have been asking for on the fly (some are even including a free roll of toilet paper with orders, for instance). To further help our brothers and sisters in the food world, in this issue of **FoodBytes**, we're covering operators' responses to the COVID-19 pandemic, not only to simply showcase those ideas, but to serve as inspiration for everyone in the industry.

Datassential as a whole has also pivoted to ensure that the industry has reliable data and insights to work with during these unprecedented times. On March 12, Datassential released its first **COVID-19 HotShot Report**, offering up timely insights such as what safety precautions customers most want to see from operators. We've released four reports to date, and all are available as complimentary resources (go to datassential.com/coronavirus for more info) and designed to be shared near and far. ➡



The industry is as resilient a group as I've come across so I have no doubt that we'll flex in all possible ways to creatively stem the tide now and ramp up with full force when it's time.

-Phil Horn, owner of Sacramento's Burger Patch, who's donating 100% of business profits to a GoFundMe for local restaurants, as told to the *Sacramento Bee*.



As consumers stay in, they're also fueling new at-home cooking trends, from baking bread to "whipped coffee," which is inspired by South Korean dalgona coffee. Made with just 3 ingredients (instant coffee, sugar, and water), it's also sometimes referred to as "coffee stirred 400 times," and #whippedcoffee hashtags have surpassed 51 million views on TikTok and inspired ASMR-style video tutorials. The version above was made by a member of the Datassential team.

CONTINUED...

Everything in the pages ahead only scratches the surface of how the food industry is being affected. Fast casual chain **Chipotle** is tackling social distancing with "Chipotle Together" virtual hangouts on Zoom, and offered free delivery and tamper-evident packaging seals even before states began restricting dine-in operations. As restaurant operations close, many foragers, farms, and purveyors have been left with surplus goods with no one to buy them, so some are now offering product direct to consumers. Retailers are changing it up too: Florida-based **Publix** announced it would install plexiglass guards at all its stores to help protect its workers while **Instacart** has posted what's likely one of the largest help wanted ads in recent history, saying it wanted to hire 300,000 shoppers to keep up with grocery demands during the pandemic. On the alcoholic beverage side, **Ball Corporation**, the only supplier of Crowlers, is currently scrambling to meet demand and is completely out of stock until April as restaurant and brewery shut-downs have forced many brewers to can it all up for to-go sales.

Communities large and small are also banding together, from groups organizing Meal Trains for hospitality and service workers who have been put out of a job to GoFundMe campaigns cropping up to raise money for struggling businesses. Restaurants across the country put their noggins to work in declaring Tuesday, March 24 not just another #TakeoutTuesday but the day for #TheGreatAmericanTakeout. Food manufacturers and distributors joined in on social media, too, reposting the GA Takeout picture and asking people to partake in supporting local restaurants by ordering takeout or delivery and spreading the word online.

In the midst of the pandemic, there have been some smiles in unlikely places – have you seen the now-viral footage of the penguins at Chicago's shuttered Shedd Aquarium waddling around and exploring their surroundings or the eek-worthy video conference gone terribly awry? There are countless examples of people helping others, whether it's grabbing groceries for a neighbor or sharing tutorials on how to make the best out of pantry staples, giving rise to quarantine trends like whipped coffee (at left). And people are seeing a light at the end of the tunnel. According to Datassential's Coronavirus Traffic Brief, an additional report that's now a part of our comprehensive [Coronavirus Resource Library](#), 66% of consumers believe it'll be safe to dine in at restaurants within the next 3 months.

As the food world continues to evolve with this new normal, know that Datassential is here for you – be it providing you with the latest research on COVID-19, continuing on with traditional coverage of trends, or just lending an ear for when your imaginary roommate Ethel gets on your last nerve. Reach out to your client service representative or shoot us a note at info@datassential.com and thumb through the pages ahead for ideas on how to get through this. Wishing you well, friends. ❤️

Chicago's *Pacific Standard Time* launched a family meal that feeds 4 people and clocks in (yes, pun intended) at \$40. The option shown here includes antipasti salad with feta cheese and roasted garlic vinaigrette, pasta with rigatoni sausage, cheese pizza, and chocolate chip cookies.



1. FAMILY MEALS

The term "family meal" was once used mostly to refer to meals the staff of a restaurant would have together that, true to the name, were served family-style, typically outside of peak dinner hours as a sort of pre-service powwow. As restaurants across the country shuttered their dine-in operations, many started offering family meals for curbside pick-up.

Chicago's *Pacific Standard Time* emailed customers on March 15 with an announcement that they'd be introducing PST Family Meals as a way to answer the age-old question of "what's for dinner?" in a time with "schools closing, chaos in grocery stores, and just the general fear of the unknown." Just a few days later, PST said they'd sold out of their meals for the days ahead and encouraged customers to pre-order for the coming week. Though there are of course many consumers dining solo, operators are also pivoting to take into account that for dayparts like lunch, many families

are now having to account for more mouths to feed (as most schools and daycares across the country have closed), offering family-sized portions to make it easier for group dining.

Honey Salt, in Las Vegas, for example, is temporarily closed for dining in but is offering its regular menu for delivery as well as family-style take-away meals that serve four. Five options are offered, featuring mains like Braised Short Ribs, Farm House Meat Loaf, or Fried Chicken, and include fixings like Savory Monkey Bread or Elizabeth's Caesar and are all priced at \$85.

In New York City, there's the Junzi Family Meal that features larger portions of its signature vegetables, proteins, toppings, and sauces, all packaged in recyclable and stackable containers from Chinese fast casual operator *Junzi Kitchen*.



29%

of consumers say multi-serving or family-sized items would motivate them to get food from a restaurant during the COVID-19 pandemic

-Datassential's COVID-19 Report #3: Into the Home



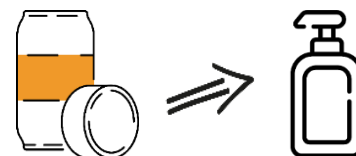
2. CHANGING IT ALL UP

FB



Bagels, burgers, and fries aren't items you would have likely associated with Seattle's fine dining restaurant **Canlis** just a few weeks ago, but with the current situation, that's changed. Canlis has been a fine dining institution for nearly 70 years, but that didn't stop them from switching up their entire business model – now saying, "fine dining is not what Seattle needs right now." So Canlis is selling bagels and coffee in the mornings and then offering a succinct five-item lunch and dinner menu available for drive-thru orders featuring items like burgers, veggie melts, and fries. Following suit are other fine dining restaurants that have pivoted to offering more casual fare – Chicago's **Alinea**, known for its highly-priced tasting menus (typically in the neighborhood of \$300 a pop) and molecular gastronomy, is offering to-go meals for \$34.95 a person (what is that, a 1000% discount?) Not only did the restaurant sell out of its Short Rib Beef Wellington, mashed potato, and crème brûlée meal in just 5 hours, co-owner Nick Kokonas also took to Twitter to say that the restaurant made \$5,600 selling margarita kits on its first day. Alinea's sales were also so successful the restaurant announced they were able to hire some of its employees back.

3. REPURPOSING FOR A PURPOSE

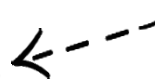


In a time when many stores have been sold out of hand sanitizer and some have even turned to hoarding it and selling it for profits, Craig Engelhorn, head distiller at **Spirit Hound Distillery** in Lyons, CO, is doing the complete opposite. Engelhorn and his staff are making hand sanitizer using a 191.8-proof, 100 percent ethyl alcohol grain-neutral spirit made from corn and donating it to local firefighters and local businesses. The sanitizer is also available at Spirit Hound's tasting room for a suggested donation. Engelhorn told the *Denver Post* that he's been motivated in part by the support the distillery got from the community back in 2013 after flooding. **Koval Distillery** in Chicago is another example of a distillery that's also taking a break from spirits and instead making hand sanitizers to donate to hospitals, daycares, and the like.

4. GOING VIRTUAL

If we had tracked the word virtual in **MenuTrends Infinite**, we're sure it would have skyrocketed at a rate similar to sriracha or kale. Everything's going virtual these days, from virtual happy hours to virtual team meetings – case in point, Zoom, a video conferencing platform that's likely now in your digital dictionary if it wasn't before, had its biggest download day ever just a few weeks ago with 600,000 downloads in a day. Many restaurants are turning to virtual tip jars to garner donations for their staff – Chicago's **Spiteful Brewery**, for example, set one up on GoFundMe and in 6 days has surpassed its goal of \$5,000. Also in Chicago, cocktail bar **Lost Lake** offered a proposition: slide into their DMs with a virtual tip and receive a quarantine-friendly newsletter with tips for making cocktails at home plus special perks once it reopens. **Crafty Cow** in Milwaukee, WI, has launched three virtual pop-up restaurants like the Brunch and Chill and Curb Your Infusiasm. And though many cities across the country hold Restaurant Week events, that's also now going virtual: Chicago's **Edgewater neighborhood** is hosting a virtual restaurant week to boost delivery and takeout support of local businesses.





From left to right: Everybody vs. COVID-19 shirts from Detroit retail brand **Detroit Vs. Everybody** with proceeds going to support small businesses; items including this Love One Another sticker and Support Chicago Hospitality Workers shirt from **Stock Mfg.** go to support hourly employees of Chicago restaurants; enamel pins on sale to support the staff of San Antonio, TX-based **Bakery Lorraine**.



5. MERCH WITH A MEANING

Selling branded merchandise is nothing new for operators, but in light of COVID-19's vast impact on hospitality workers, many restaurants and non-profits are now offering merchandise that's dedicated solely to helping provide relief to those affected. In addition to the examples highlighted above, many organizations are banding together in cities like Austin, which has been hit hard with a one-two whammy (its restaurants have been mandated to close, plus SXSW has been canceled). Stand with **Austin t-shirts** have been created to benefit a fund of the same name that will provide relief to those affected by SXSW's cancellation. Even if you're not part of a larger organization like some of these examples, offering merchandise for sale could help provide a stream of revenue. According to *Patch*, in less than 72 hours, the sale of shirts and other items highlighted above totaled \$70,000.

44%

of consumers say contactless delivery (employees not handing food directly to them) would make them feel safer when ordering takeout or delivery from a restaurant

-Datassential's COVID-19 Report #4: Hands-Off

6. CONTACT-FREE DELIVERY

In a time when social distancing is quickly becoming the norm, it makes sense that restaurants would be pivoting their delivery and takeout practices to also allow for said social distancing. Many delivery companies now offer contact-free (also called contactless) delivery options wherein there's no physical interaction between delivery personnel and customers. **GrubHub** users can now select the "contact-free delivery" option at check out and drivers will call or text customers when their order has arrived and has been placed on the front porch or in the building lobby. GrubHub is also one of several delivery platforms that have been deferring commission fees for restaurants to help alleviate the cashflow pinch felt by operators. Similar options can be chosen through **UberEats** and **Postmates**, while **DoorDash's** default is "leave it at my door." **Dickey's Barbecue Pit** is just one operator who has also rolled out similar options – in the midst of COVID-19 the chain debuted doorstep drop-off delivery and is ensuring consumers know their food hasn't been tampered with by pre-sealing all orders.

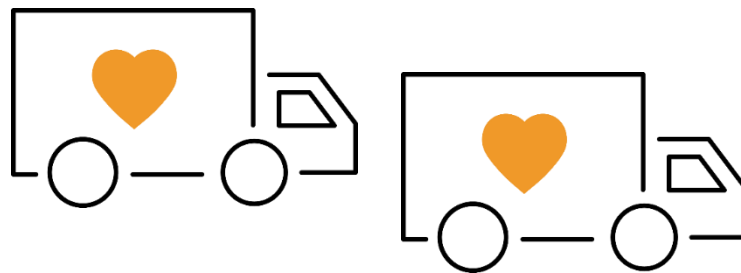




↑ A take-and-make at-home meal from **Prairie** in San Francisco, CA, includes Wood Oven Duck Leg Confit and Crème Fraîche Pappardelle.

7. MAKE AT HOME

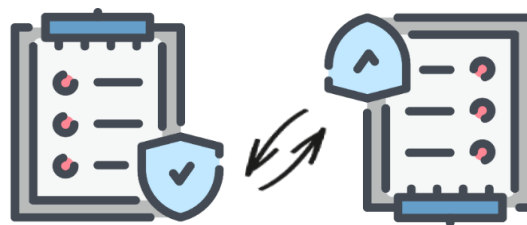
Although consumers tend to perceive at least a little risk in just about every manner of acquiring food, whether it's takeout, drive-thru, or restaurant delivery, meal kits are far and away viewed as the least risky, according to Datassential's **COVID-19 Report #2: Fear & Response**. Nearly 40% of consumers say they consider meal kits to be "not risky" (in comparison, just 15% said the same for self-serve salad bars at restaurants). And in fact, many operators have recently switched gears into offering meal kit-esque options. **Provenance Restaurant** in Newport Beach, CA, started offering meal kit services after the state banned dine-in options, and currently serves two take-and-bake meals in larger portion sizes as well as in individual meal kit portions. Chicago's **Summer House Santa Monica** is offering build-your-own-pizza kits that include fresh pizza dough and even two types of flour (for stretching and transferring) along with sauce, cheese, and basil to create a Margherita Pizza for two. Korean-Italian mashup restaurant **Passerotto** in Chicago recently changed up its options from offering its regular menu for takeout and delivery to what they call the "I miss human contact edition 2.0" menu that's based on a full no-contact curbside takeout and delivery model. Based on feedback from guests, the restaurant said it decided to offer only fully-prepared meal kits where customers can make everything in 10 minutes. They're also offering some DIY Kits, aka "quarantine projects," such as make-your-own kimchi.



FB

8. SUBSCRIPTION SERVICES

Chicago's **Bungalow by Middle Brow**, like many other restaurants across the country, has shifted to delivery and takeout. But Bungalow is also offering a subscription service in addition, bringing customers goods like bread, pizza, and beer. Also in Chicago, **Perkolator Coffee** switched to a delivery subscription service after the shelter-in-place mandate, offering customers the choice to get freshly-roasted coffee, loose-leaf tea, and other items delivered to their porches for free and at customers' choice of intervals (weekly, monthly). Farmers' markets have also been affected by stay-at-home mandates, prompting some to also get creative with subscription box models. Seattle's **Pike Place Market**, for instance, now offers an Iconic Market Box that includes an array of items from vendors and is available for curbside pick-up or delivery. A portion of proceeds goes to support members of the community most affected by COVID-19.



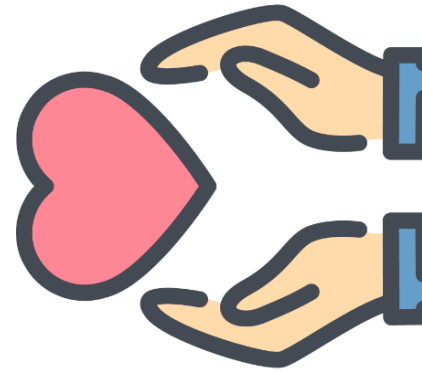
9. SHIFTING RETAIL STRATEGIES

To accommodate for those who are more at-risk for complications with COVID-19, many grocery stores and retailers have shifted shopping hours. **USA Today** is keeping a running list of all the companies that now have enacted Senior Hours (though despite the name, these typically also welcome other vulnerable guests such as those with immune disorders or pregnant shoppers). Just a few examples include **Albertsons**, **Whole Foods**, **Target**, **Big Lots**, and **Costco**. Most of the companies holding these special hours are doing so on specific days of the week (such as Tuesday or Thursday) or for an hour or two before the store normally opens – following similar strategies can keep that balance between wanting to offer safe spaces for those who need it while not alienating or changing things too much for the general public. To battle panic shopping and hoarding, many brands have also been quick on their feet in letting customers know on social media that hours would also be shifting in order to better accommodate restocking time. Elsewhere in the industry, some restaurants have even made the shift from restaurant to retail. LA-based **Dog Haus** has begun offering grocery services at some of its locations that have been rebranded as Dog Haus Markets. By offering the same buns and hot dogs they already have, Dog Haus is able to use up their existing resources in a new way that also allows customers to seamlessly recreate their favorite Dog Haus dogs in their homes.

10. GIVING BACK

FB

COVID-19 has had an unprecedented impact on nearly every aspect of day-to-day life. Many companies are giving back to those who have been affected, including millions of students whose schools have closed (the majority of schools throughout the U.S. are closed at least until further notice, totaling over 124,000 schools closed according to *Education Week*). **Umi Sushi and Hibachi** in Blaine, MN, is offering a kids' size lo mein and fountain drink free to any child in need during lunch hours (no purchase necessary) while Minnesota-based baking mix company **Coconut Whisk Baking Co.** is covering breakfast by giving out a week's worth of free pancake and waffle mixes to families. **White Duck Taco Shop**, which has several locations throughout North Carolina, is offering a free regular-priced taco for school-aged children every weekday to help the 45,000 children in Western North Carolina who rely on free meals during the school year (*Citizen Times*). But it's not just children who are in need of a little help – Italian restaurant **Anella** in NYC is offering pay-what-you-can meals of burgers and eggplant parmesan, and also offering other dinners at discounted prices. **Baker Miller** in Chicago is helping out local chefs who may be displaced by restaurant closings by offering up their kitchen space to prepare \$65 packaged dinners to sell (and letting them keep the profits minus overhead). Other companies outside of the food world are also chipping in what they can. Shoe company **Allbirds** has donated \$500,000 worth of shoes to healthcare workers responding to COVID-19 and is calling on other customers to help by participating in special "buy a pair, give a pair" bundle deals or by donating to deliver a specially-priced pair straight to someone on the front lines.



11. HOTLINES/TUTORIALS

As restaurants close down and staying home becomes the norm, consumers are finding themselves as their very own personal home chefs. Many chefs and operators are helping out by lending their own cooking tips to the masses with hotlines and virtual tutorials. **All Together Now**, a cafe and market in Chicago, is open for delivery, pickup, and takeout and also has a wine and cheese hotline customers can call for personalized recommendations for wine, cheese, and other products. And for folks who are feeling a little like their cupboards and pantries are now the mystery baskets of "Chopped," there are home cooking hotlines to the rescue. Chef **Sarah Stegner** from Northbrook, IL's **Prairie Grass Café**, started a hotline and told *Chicago Mag* she felt she could contribute "something meaningful" during this time of uncertainty.



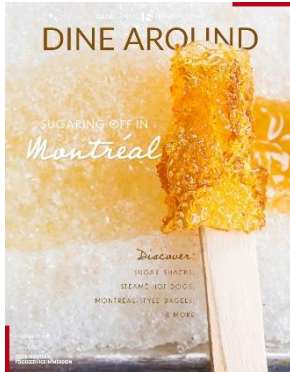
12. EXPANDED EVERYTHING

As restaurants continue coming up with new ways to navigate uncertain waters, many are expanding beyond their original hours and scope. **Sqirl**, a café in LA, has extended its typical breakfast and lunch fare by providing food for customers all day. There are now new dinner options and 8 a.m. to 8 p.m. business hours for pickup and delivery. **Insa**, in Brooklyn, scaled its takeout menu up in light of COVID-19, adding options like \$15 meals that include rice and a selection of sides (or Korean banchan, rather), along with large batch cocktails and frozen dumplings customers can store and make whenever the craving hits. Many states also loosened laws regarding alcohol sales so that restaurants could offer cocktails, beer, and wine for pickup and delivery. **NewOrleans.com** now has a running list of restaurants that offer delivery, takeout, and alcohol with takeout/delivery.



WHAT YOU MISSED IN LAST MONTH'S TRENDSPOTTING

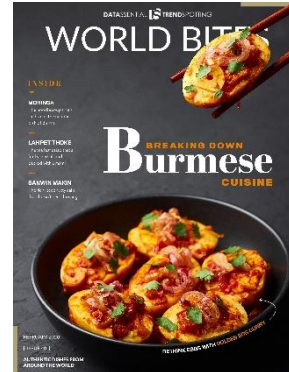
Looking for some data and research to dive into while you're at home? Check out recent issues and the full TrendSpotting library in **SNAP!**



DINE AROUND

We're still coming down from our sugar high from last month's **Dine Around: Montréal** where we discovered sugar shacks and maple-flavored everything. We also got steamé with steamés (Montréal's version of a hot dog) and sampled some smoked meat.

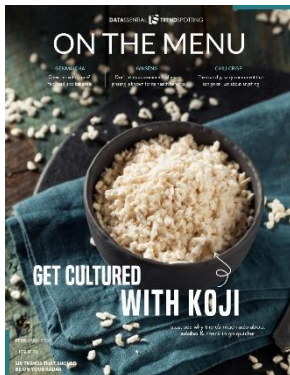
IN APRIL: Buffalo, NY



WORLD BITES

Last month we broke down **Burmese** cuisine, discovering dishes like golden egg curry, laphet thoke (an umami-packed tea leaf salad), and mohinga, a noodle soup that's often referred to as the national dish of Burma.

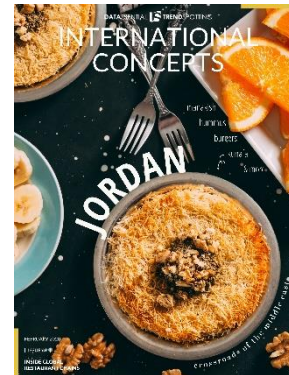
IN APRIL: Ukrainian



ON THE MENU

Last month we got cultured with **koji**, a type of mold that's the force behind staple pantry items like soy sauce. We also checked in on **quiche** and **chili crisp** and got the scoop on **genmaicha** and **ginseng**.

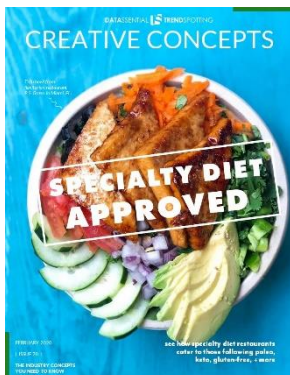
IN APRIL: Tomahawk steaks, soursop, and shiso.



INTERNATIONAL CONCEPTS

In our February issue of **International Concepts**, we jumped into the dining scene in **Jordan**, discovering everything from moussaka to kunafa to mezze and more.

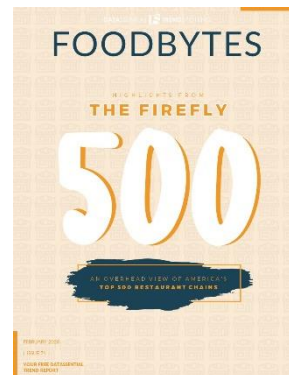
IN APRIL: Salad Chains



CREATIVE CONCEPTS

Restaurants and meal services that center around specialty diets were at the center of our February issue of **Creative Concepts**. Whether it was keto, gluten-free, flexitarian, paleo, or low FODMAP diets, there was a concept for every specialty diet in this issue.

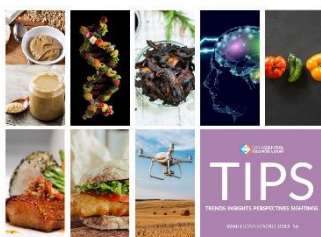
IN APRIL: Cannabis Concepts



FOODBYTES

Last month we gave you a peek into the **Firefly 500** and also a sneak peek at this year's upcoming Firefly 500+ report, where you'll be able to identify the next category killer – and the next killer category.

IN APRIL: Behind the scenes of Food Studio



TIPS

In our winter issue of **TIPS**, we covered everything from **"ugly" produce** to **alternative seed butters** and **Pacific Rim cuisine**.

SPRING ISSUE: Dive into kokumi, better-for-you beer, upcycled products, and shots (shots, shots, sing it with us now).

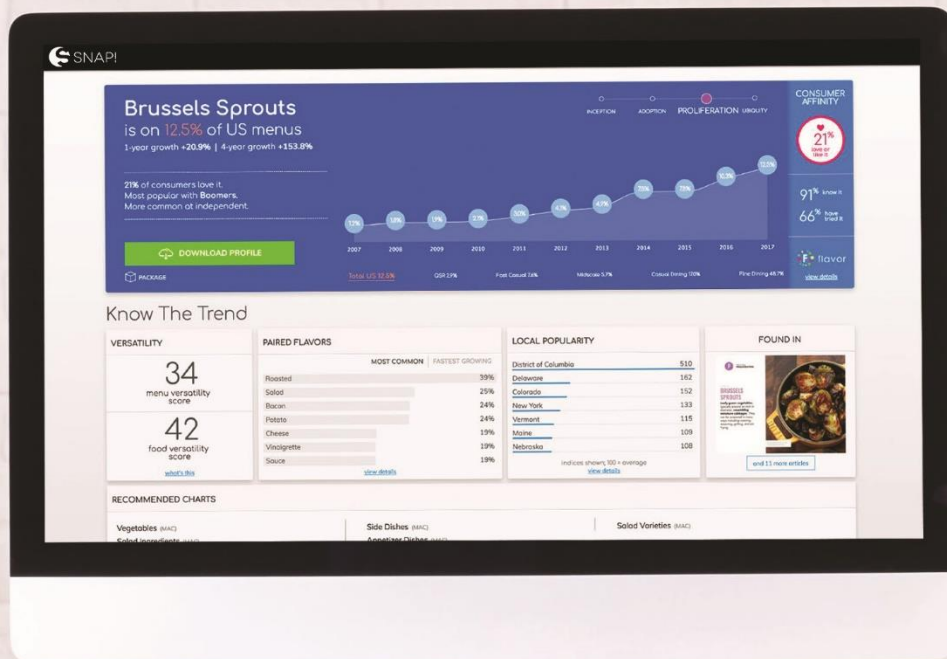
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