

## Report Price: £3695 | \$4995 | €4400

e above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## This report looks at the following areas:

- The impact of COVID-19 on consumer attitudes and foodservice brand ethics.
- What consumers think about the top ethical dilemmas facing restaurants today, from sustainability to employee welfare.
- Ethical issues as payment and visitation motivators among consumers.

82% of restaurant customers say health insurance for employees and living wages for employees are important to them, indicating the universal demand for better treatment of restaurant employees that transcends political and demographic lines. Consumers also overwhelmingly expect restaurant chains to shoulder these costs with their own profits.

COVID-19 revealed racial and social inequities in the US, including those within the restaurant industry. Between consumer demand for better treatment of employees and the competitive job market during economic recovery, restaurants are forced to reconsider starting wages and benefits packages sooner rather than later.

Immense logistical, supply and cost challenges face foodservice operators trying to come up with more ethical packaging solutions, especially with a quickly accelerated off-premise industry from COVID-19. However, consumers will increasingly scrutinize the recyclability and reusability of packaging, forcing continued sustainability investments.

With immense challenge comes great opportunity for innovation: for example, think of how circular packaging economies can potentially benefit restaurant loyalty, as the necessity of returning or reusing takeout packaging (eg for a deposit refund) drives repeat visitation.



"Restaurant customers overwhelmingly embrace foodservice brand ethics, desiring to see employee welfare, animal welfare and sustainability improvements at restaurants, and this is especially true for quickly growing demographics such as younger, multicultural consumers."

– Jill Failla, Senior Foodservice Analyst

Buy this report now		
Visit	store.mintel.com	
EMEA	+44 (0) 20 7606 4533	
Brazil	0800 095 9094	
Americas +1 (312) 943 5250		
China	+86 (21) 6032 7300	
APAC	+61 (0) 2 8284 8100	

#### Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## **Table of Contents**

## **OVERVIEW**

- What you need to know
- This Report looks at the following areas
- Definition
- Market context
- COVID-19: US foodservice brand ethics context

#### **EXECUTIVE SUMMARY**

- Top takeaways
- Impact of COVID-19 on foodservice brand ethics
  Figure 1: Short-, medium- and long-term impact of COVID-19 on foodservice brand ethics, July 2021
- Opportunities and challenges
- Make restaurant jobs desirable by treating employees better

Figure 2: Brand ethic attitudes, by restaurant visitation frequency per segment, 2021

- When it comes to politics address the issues, not the parties
- Gen Zs view eco-friendly packaging as a payment and visitation motivator, but they may not understand what it is
   Figure 3: Brand ethics as payment and visitation motivators – NET any rank, by generation, 2021
   Figure 4: Restaurant packaging interest – NET any rank, by generation, 2021
- Gen Z fuels more innovative sustainable solutions Figure 5: Brand ethic attitudes, by generation, 2021

### THE MARKET - KEY TAKEAWAYS

- The New Activists are also the ethical foodservice consumers
- QSRs must consider sustainability to appeal to super users
- Labor crisis spurs ethical initiatives

## TARGET AUDIENCE BY THE NUMBERS

Sustainability Prioritizers are quickly growing
 Figure 6: Sustainability segmentation, 2021
 Figure 7: Sustainability segmentation – Sustainability
 Prioritizers, 2021

## MARKET FACTORS

Labor crisis hits hospitality sector hard

## What's included

**Executive Summary** 

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

store.mintel.com
+44 (0) 20 7606 4533
0800 095 9094
+1 (312) 943 5250
+86 (21) 6032 7300
+61 (0) 2 8284 8100



#### Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

MINTEL

- The unions are coming
- PFAS are quietly exiting foodservice packaging
- Younger consumers represent a growing subset of activists Figure 8: Activist segmentation – New Activists, 2020 Figure 9: Brands and activism, by activist segmentation, June 2020

#### **COMPANIES AND BRANDS – KEY TAKEAWAYS**

- Benefits beef up amid activism, labor shortage
- Brands have a long way to go to increase sustainability and racial equity

#### **COMPETITIVE STRATEGIES**

- \$15 hourly wage inches closer to reality
- Walk the line between purpose and politics
- Pandemic protocols find new long-term applications

#### MARKET OPPORTUNITIES

- Sustainable initiatives have ample room for improvement
- Champion racial equity inside and outside of restaurant doors
- Mental healthcare matters

### THE CONSUMER – KEY TAKEAWAYS

- Consumers overwhelmingly want restaurants to treat employees better, but don't want to pay for it
- Consumers show slightly more willingness to pay for premium products
- Sidestep direct political messaging

#### **IMPORTANCE OF BRAND ETHICS**

- Addressing employee welfare matters is key to consumer loyalty
  - Figure 10: Importance of brand ethics NET importance, 2021
- Young consumers care most about foodservice sustainability Figure 11: Importance of brand ethics – NET any sustainability initiative, by generation, 2021
- Millennials care the most about employee welfare (even if they won't pay for it)

Figure 12: Importance of brand ethics – NET any employee benefit initiative, by generation, 2021

## BRAND ETHICS AS VISITATION AND PAYMENT MOTIVATORS

• The onus for employee welfare lies with brands

## What's included

**Executive Summary** 

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100

Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 13: Brand ethics as visitation and payment motivators – NET any rank, 2021

• Frequent and Moderate Diners don't want to pay for employee benefits

Figure 14: Brand ethics as payment motivators – NET any rank, by dining frequency, 2021

 Some Boomers will pay for employee welfare, Gen Zs for animal welfare
 Figure 15: Brand ethics as payment motivators – NET any rank,

by generation, 2021 Figure 16: Brand ethics as visitation motivators – NET any rank, by generation, 2021

### PREFERRED PAYMENT METHODS FOR INITIATIVES

• Tread very carefully when trying to pass on employee benefit costs

Figure 17: preferred payment methods for employee benefits, 2021

• Restaurants have more wiggle room with eco-friendly packaging costs

Figure 18: Preferred payment methods for eco-friendly packaging, 2021

#### **BRAND ETHIC ATTITUDES**

- **Political stances remain taboo for restaurants** Figure 19: Brand ethic attitudes, 2021
- LSRs have the most work to do to improve ethics perception Figure 20: Brand ethic attitudes, by restaurant visitation frequency per segment, 2021
- Gen Z drives today's environmental initiatives at restaurants Figure 21: Brand ethic attitudes, by generation, 2021
- Restaurant customers of color want better treatment for employees

Figure 22: Brand ethic attitudes, by race and Hispanic origin, 2021

## **RESTAURANT PACKAGING INTEREST**

- Top-preferred restaurant packaging options contribute to a circular economy
  - Figure 23: Restaurant packaging interest NET any rank, 2021
- Gen Z is disillusioned with traditional recycling methods
  Figure 24: Restaurant packaging interest NET any rank, by generation, 2021

## What's included

**Executive Summary** 

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100



### Report Price: £3695 | \$4995 | €4400

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## APPENDIX – DATA SOURCES AND ABBREVIATIONS

- Data sources
- Consumer survey data
- Consumer qualitative research
- Abbreviations and terms
- Abbreviations
- Terms

### **APPENDIX – THE CONSUMER**

Figure 25: Importance of brand ethics – NET importance and initiatives, by dining frequency, 2021

## What's included

**Executive Summary** 

Full Report PDF

Infographic Overview

Powerpoint Presentation

Interactive Databook

Previous editions

## Did you know?

This report is part of a series of reports, produced to provide you with a more holistic view of this market.

All Mintel 2020 reports contain specific COVID-19 related research and forecasts. The world's leading brands rely on Mintel reports for the most complete, objective and actionable market intelligence.

Visit	store.mintel.com
emea	+44 (0) 20 7606 4533
Brazil	0800 095 9094
Americas	+1 (312) 943 5250
China	+86 (21) 6032 7300
APAC	+61 (0) 2 8284 8100





# **About Mintel**

Mintel is the **expert in what consumers want and why.** As the world's leading market intelligence agency, our analysis of consumers, markets, product innovation and competitive landscapes provides a unique perspective on global and local economies. Since 1972, our predictive analytics and expert recommendations have enabled our clients to make better business decisions faster

Our purpose is to help businesses and people grow. To find out how we do that, visit **mintel.com.**