This report looks at the following areas:

- The impact of COVID-19 on consumer behavior and the market for foodservice in retail
- Key drivers for increased usage
- The attitudes and preferences of the heaviest users of foodservice in retail
- Menu preferences and interests for foodservice in retail

While retail foodservice sales suffered in the early stages of the pandemic as retailers scaled operations, demand for convenient freshly prepared food remains strong and retailers continue to enhance their offerings. Nearly nine in 10 consumers report at least occasional purchase and about one third say they do so at least once a week.

To stay competitive with an ever-widening array of easy meal alternatives and cater to increasingly diverse consumer tastes, retailers need to place emphasis on food quality and cuisine variety.

To meet the needs of the heaviest users of foodservice in retail, grocery retailers should work both to create more pleasing on-premise dining experiences and to leverage technology for easy online ordering, a dual focus that aligns with the broader efforts to optimize both in-store shopping and ecommerce for groceries overall.

Grocery retailers have a unique opportunity to position prepared foods not as a replacement for home cooking but as a complement to it, aligning with the tendency of heavy users to incorporate prepared foods into their own home-cooked meals.

“Foodservice in retail suffered in the early stages of the pandemic, but the forces that made foodservice a priority for grocery retailers before the pandemic are as strong as ever. Retailers compete against an ever-widening array of convenient meal options and must meet shoppers’ elevated expectations for variety, quality and convenience.”
– John Owen, Associate Director – Food and Retail

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

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