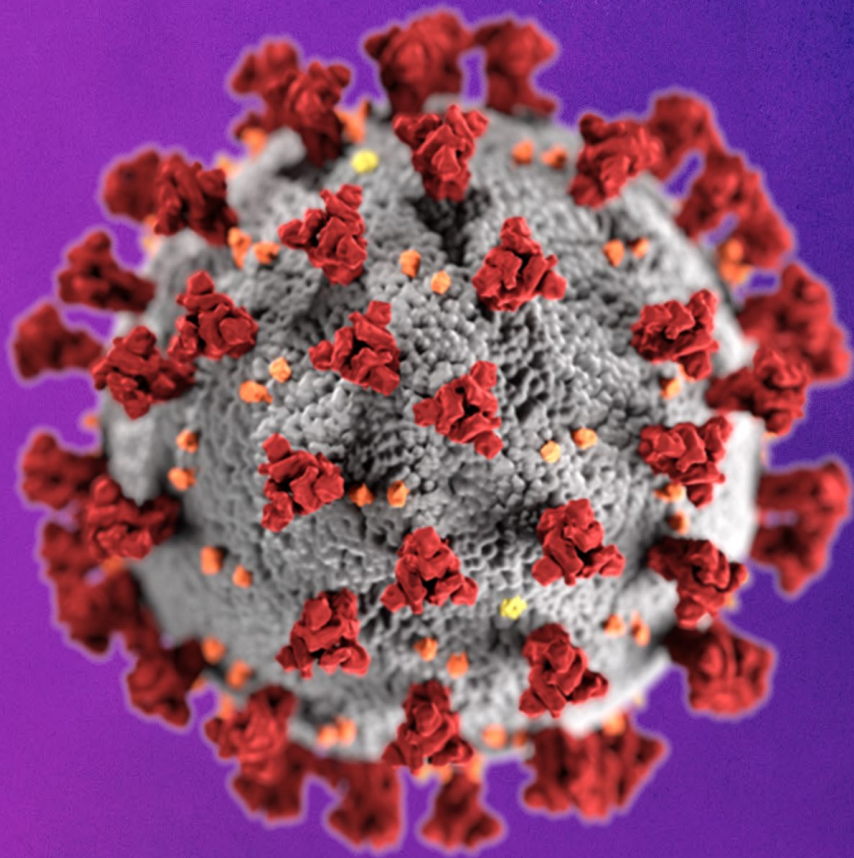


COVID-19

report 17: THE NEXT PHASE

5.8.20





A month has passed since Datassential's first Pent-Up Demand report, exploring how people would ease back into "normal eating" habits once social-distancing restrictions were eased. Since then, many things have changed, and in a lot of ways, many have stayed the same. Going into the "new normal" initially seemed like an inconvenience for a few weeks while waiting for the curve to flatten, but we are now waking up to the realization that we need to figure out how to live with COVID-19 for the foreseeable future, or at least until we find a vaccine. As the U.S. begins to reopen non-essentials in some states, Americans are finding themselves living a "live experiment," as we try to figure out how to do it safely. While the majority think it is too soon, some are more than ready to dive right back in. Either way, people will re-emerge, excited to return to their favorite restaurants when they feel the timing is right. America will go back to dining in for many of the same great meals and emotional benefits it has always provided but will also go in with a new outlook and empathy for the industry. Ultimately, this will impact many of their choices.

On the brink of non-essential businesses reopening, how has living with and living through the crisis for another month impacted how consumers will ease back into restaurant dining, and what can operators do to make it a satisfying experience?

Here are highlights from Datassential's latest wave of Coronavirus research, fielded on April 27, April 29, May 01, and May 07 with 4,000 U.S consumers.

RECENT KEY EVENTS

April 28

US Coronavirus deaths surpass US casualties in the Vietnam War
Fauci warns the US could be in for "a bad fall and a bad winter"

April 29

Small study in China finds remdesivir did not help Coronavirus patients
Canadian Prime Minister Trudeau says he won't force meat processing plants to stay open
COVID-19 infections reach more than 3.1M, deaths surpass 227,000 worldwide

April 30

A vaccine could be ready by January "if everything falls into place," officials say
WHO says there are 102 potential Covid-19 vaccines in the works worldwide

May 1

FDA authorizes remdesivir drug as emergency treatment for COVID-19
Coronavirus may last two years, with a worse second wave, study warns

May 2

New York begins conducting antibody testing at grocery stores

May 3

White House announces that 2.2M loans totaling \$175B have been granted in second stimulus

May 4

Key Coronavirus model revises projections to nearly 135,000 US deaths
Security guard shot and killed in Michigan after telling customer to put on a face mask
Texas Roadhouse CEO: Quick pivot to off-premise strategies trim sales losses from March to April

May 5

Starbucks announces plans to reopen 85% of corporate stores during one week
Bloomin' Brands reopens more than 300 locations for dining in
Wendy's halts sales of beef in some stores amid Coronavirus-induced shortage

May 6

Papa John's reports 27% same-store sales growth for April, its best month in company history

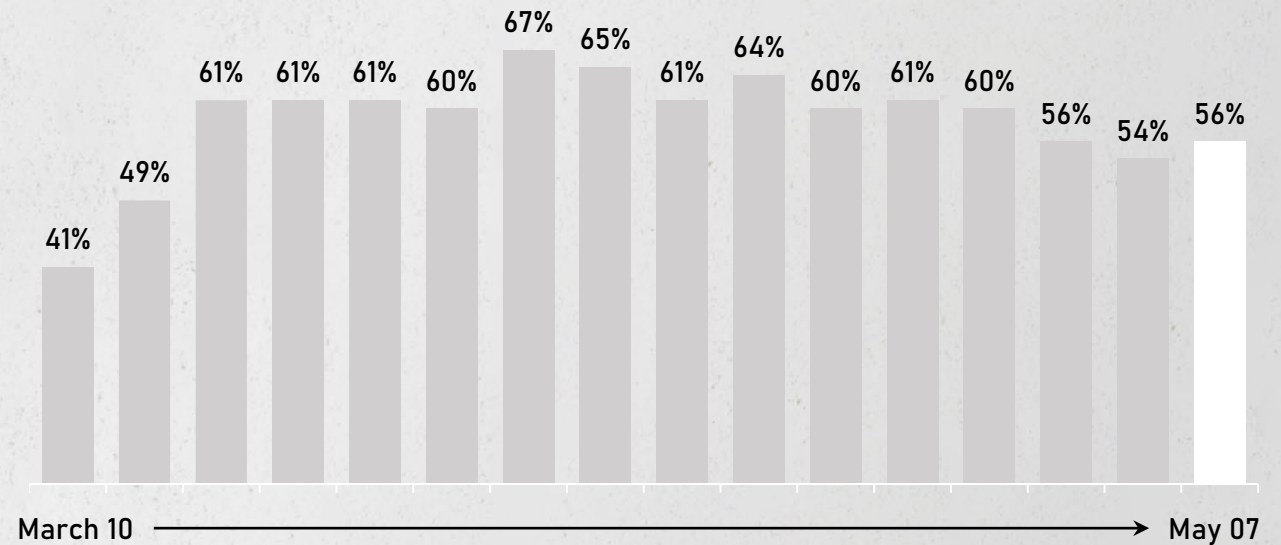


Concern starts to fall slightly as some states slowly reopen.

As talk of states reopening makes headlines, concerns over COVID-19 are declining. But America is still anxious, with slightly more than half of people feeling very concerned and hugely worried about their own personal health.

	3-10	3-14	3-18	3-22	3-25	3-29	4-1	4-3	4-7	4-10	4-15	4-17	4-23	4-27	5-1	5-7
Very concerned	41%	49%	61%	61%	61%	60%	67%	65%	61%	64%	60%	61%	60%	56%	54%	56%
Somewhat concerned	49%	42%	34%	35%	34%	33%	28%	28%	34%	31%	35%	33%	34%	37%	37%	34%
Not concerned	10%	8%	5%	4%	5%	7%	5%	7%	6%	5%	5%	6%	6%	7%	9%	10%

very concerned with Coronavirus



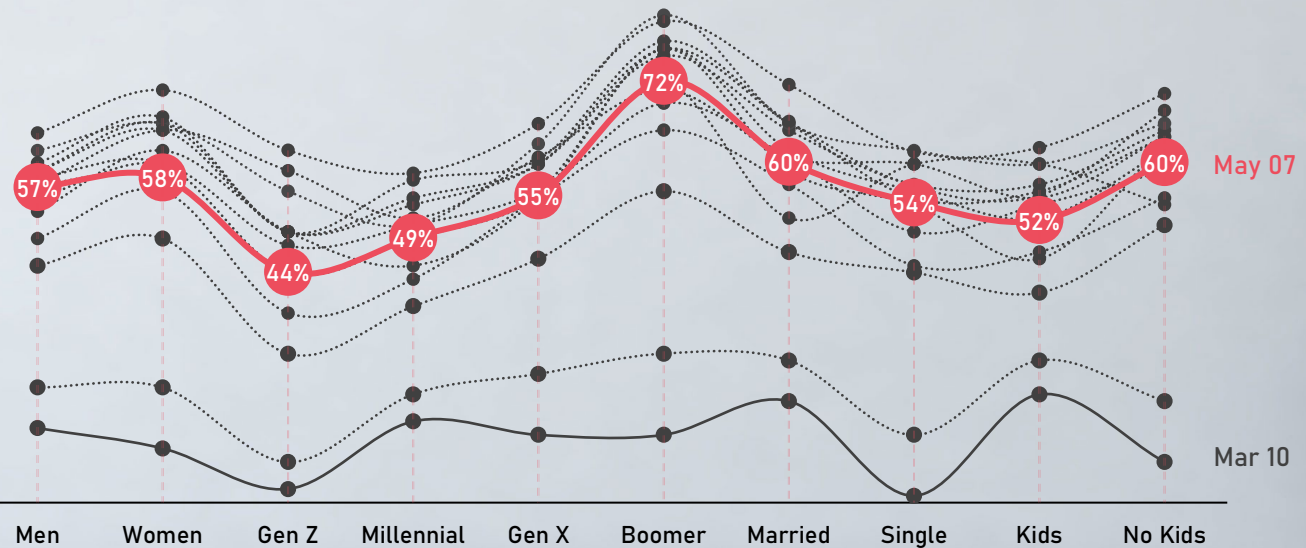


Avoidance of eating out is steady, but down from a month ago.

As states are only just beginning to reopen for dine in, avoidance has held firm over the past four days, but still lower versus a month ago (down 6 points). Avoidance numbers will likely continue to fall the more that dining rooms reopen. Demographic segments also remain unchanged from earlier.



DEFINITELY AVOID EATING OUT

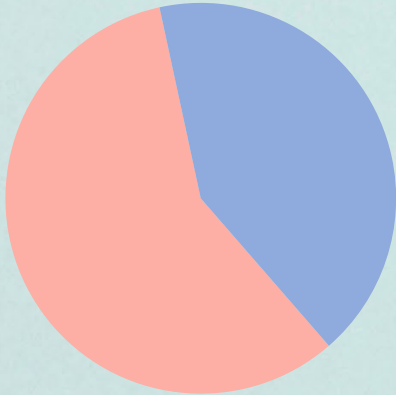


Health remains the top concern, but economic worries are intensifying.



which are you more concerned about?

57%
PUBLIC-HEALTH CRISIS
-2% since April 27
-6% since April 10



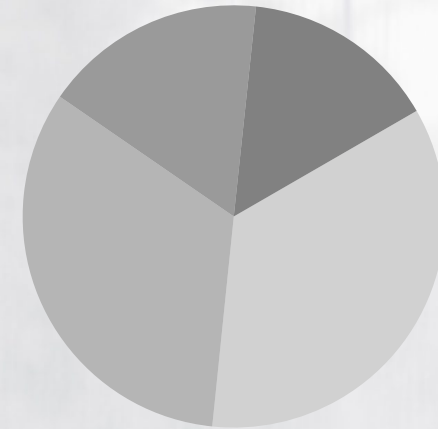
43%
ECONOMIC CRISIS
+2% since April 27
+6% since April 10

America is still hunkered down.

Consistent with data since social distancing began, most are still doing their business from home, whether work or school. This may start to change soon as non-essential places slowly begin to open.

16%
STILL GOING TO
SCHOOL/WORK AS NORMAL

33%
WORKING OR ATTENDING
SCHOOL REMOTELY



16%
LAID OFF /
FURLOUGHED

35%
NOT WORKING
OVERALL

which of the following best describes your current situation?



People are personally invested in their favorite restaurants surviving this period.

The COVID crisis has turned many people inward as they desperately try to self-protect. They are less trusting of others with their safety and more worried about fulfilling their own needs first. Yet even amid this adversity, Americans still have a soft spot for restaurants. They have seen the industry and its workers suffer and are empathetic, but it goes much deeper than that. For as excited as Americans are to get back to dining in for great food and fun, they now consider supporting restaurants as equally important. Studies have shown that communal eating increases feelings of well-being and contentment, and it makes people feel embedded in their communities. After months of social distancing, people are longing to reconnect with their inner circles and local neighborhoods, and with restaurants considered an integral part of their communities, their survival becomes even more personal.

While new COVID operating guidelines will make socializing a challenge, restaurants can help preserve this personal relationship with guest, through tactics that connect back to their communities.

Americans want out of their homes and can't wait to get into restaurants.

Not much has changed in the past month. America is still at home and still longing to get back out. People are most excited to get back to activities like dinner and a movie, or lunch and shopping at the mall. What does look to be changing is a possible move away from anything that resembles what we've been doing for the past few months. People are happy to meet friends and family, but not in their homes. While still stable, we might see further slippage in grocery store prepared foods and visiting convenience stores.



which of the following food & drink places or activities are you most excited to get back to?

	April 27	March 29	CHANGE
Dining at my favorite sit-down restaurants	45%	41%	+4%
Visiting recreational places (movies, malls, museums)	42%	40%	+2%
Meeting family / friends at restaurants	39%	38%	+1%
Meeting family / friends at someone's house	29%	35%	-6%
Visiting favorite fast food or counter-service restaurant	23%	22%	+1%
Attending events at stadiums or arenas	21%	23%	-2%
Going to coffee shops	20%	17%	+3%
Drinking at bars	19%	18%	+1%
Getting self-serve food	13%	10%	+3%
Watching the game at sports bars	11%	12%	-1%
Splurging on fancy meals at upscale restaurants	11%	10%	+1%
Going to food courts / food halls	10%	10%	-
Going to nightclubs, lounges, music venues, etc.	10%	9%	+1%
Having supermarket deli / prepared foods	10%	12%	-2%
Visiting convenience stores	8%	11%	-3%
Visiting cafeterias	5%	5%	-
None	10%	11%	-1%

Supporting restaurants is a growing factor when choosing where to get a meal.

While earlier drivers of restaurant choice remain top considerations, like cleanliness, taste and location, Americans are starting to give more weight to the idea of supporting local restaurants they have seen feeling the brunt of social distancing.

what are your top considerations when choosing a restaurant during this time of coronavirus?

	Apr 27	Mar 18	CHANGE
Clean & sanitary	42%	45%	-3%
Value	31%	34%	-3%
Great taste	30%	36%	-6%
Nearby	27%	36%	-9%
Supporting restaurants that need help	23%	18%	+5%
Good service / staff	20%	14%	+6%
Health	19%	22%	-3%
Locally / independently-owned	18%	13%	+5%
Speed	14%	23%	-9%
Variety	11%	19%	-8%



People are most excited to reconnect over food.

More likely among women (45%)



which aspects of dine-in service are you most excited to get back to once your favorite places fully reopen?

More likely among Boomers (28%)



Socializing with friends/family	39%
Variety (different from what I normally cook)	30%
Convenience	28%
Food that's freshly made	28%
Food that's hard to make at home	26%
The atmosphere/scenery	24%
Service (someone cooks for me/waits on me)	22%
Food is more flavorful	20%
Meeting/socializing with new people	13%
Getting dressed up to go out	12%
Seeing what foods are new and trendy	10%
Being part of a crowd/people watching	10%
Staff recommendations/expertise	6%
None	11%

Diners already know what they want.

On their first trip back for dining in, people won't be mulling over menus for something new or asking their server for recommendations. Americans will stick to the menu favorites they've missed while sheltering in place. Boomers are most likely to stick with the tried and true, while households with kids are more up for something new. One in three will express their gratitude to restaurant staff with larger than normal tips and "thank yous" for being open.

which of the following are you likely to do the first time you go back out and dine in at a restaurant?

Order your favorite item from the menu	46%	←	More likely among Boomers (61%)
Thank restaurant staff for being open	37%	←	More likely among Boomers (49%)
Leave larger tip than would have before COVID	34%	←	More likely among Boomers (43%)
Stay longer-enjoy my time out	29%		
Order something new	20%	←	More likely among households with kids (27%)
Splurge on the meal	19%		
Grab a drink at bar before or after meal	19%		
Order from the "daily specials" menu	17%		
Order extra food so I can take home leftovers	16%		
Eat faster/get in and out as quickly as possible	12%		
Order an extra meal for next day	10%		
Leave a review (Yelp, Google, Facebook)	8%		
Ask for menu recommendations from staff	8%		



Guests want what only restaurants can provide.

After months of the “same old, same old,” Americans are excited for the variety and signature types of dishes that only restaurants can provide. Millennials are craving fresh ingredients and indulgences while Boomers more than other groups, are excited for variety.

what are you most looking forward to from restaurant food that you haven't been able to get from home since the pandemic began?

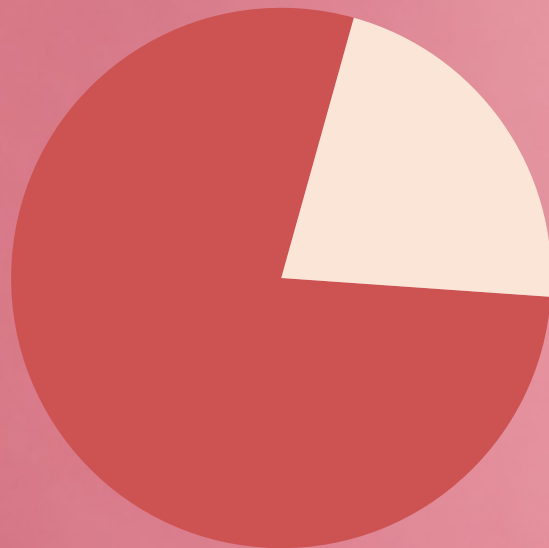
Craving specific dish from certain restaurant	33%	
Variety: more options than I have at home	32%	← More likely among Boomers (39%)
Craving dishes that are hard to make at home	30%	
Being able to order my own dish	22%	
Ethnic foods & flavors	21%	
Craving indulgent foods	20%	← More likely among Millennials (28%)
Craving dishes that don't taste good for delivery	20%	
Chef-quality/professionally prepared foods	19%	
Restaurant foods just taste better	18%	← More likely among Gen Z (31%)
Foods made with lots of fresh ingredients	18%	← More likely among Millennials (23%)
Craving splurge-worthy (surf & turf, caviar)	13%	
Beautiful presentation/plating	8%	
None	15%	



Diners will go for what they know and love.

Operators opening with limited menus should consider selections that were previous best sellers.

what are you most likely going to choose from the menu the first time you go back to a dine-in restaurant?



79%
FAMILIAR
FAVORITE

22%
SOMETHING
TOTALLY NEW



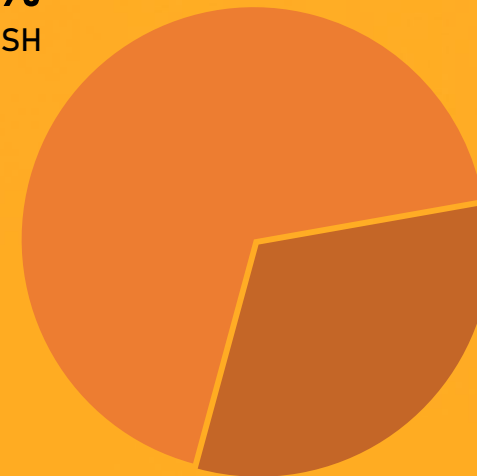


They'll eat their first meal like it's their last meal.

While our "new normal" will require continued vigilance, when it comes to restaurants, America is ready to throw caution to the wind. On their first trip back into dining rooms, people will choose indulgent dishes over healthful items. Women, who are most often the calorie counters, are the most likely to indulge.

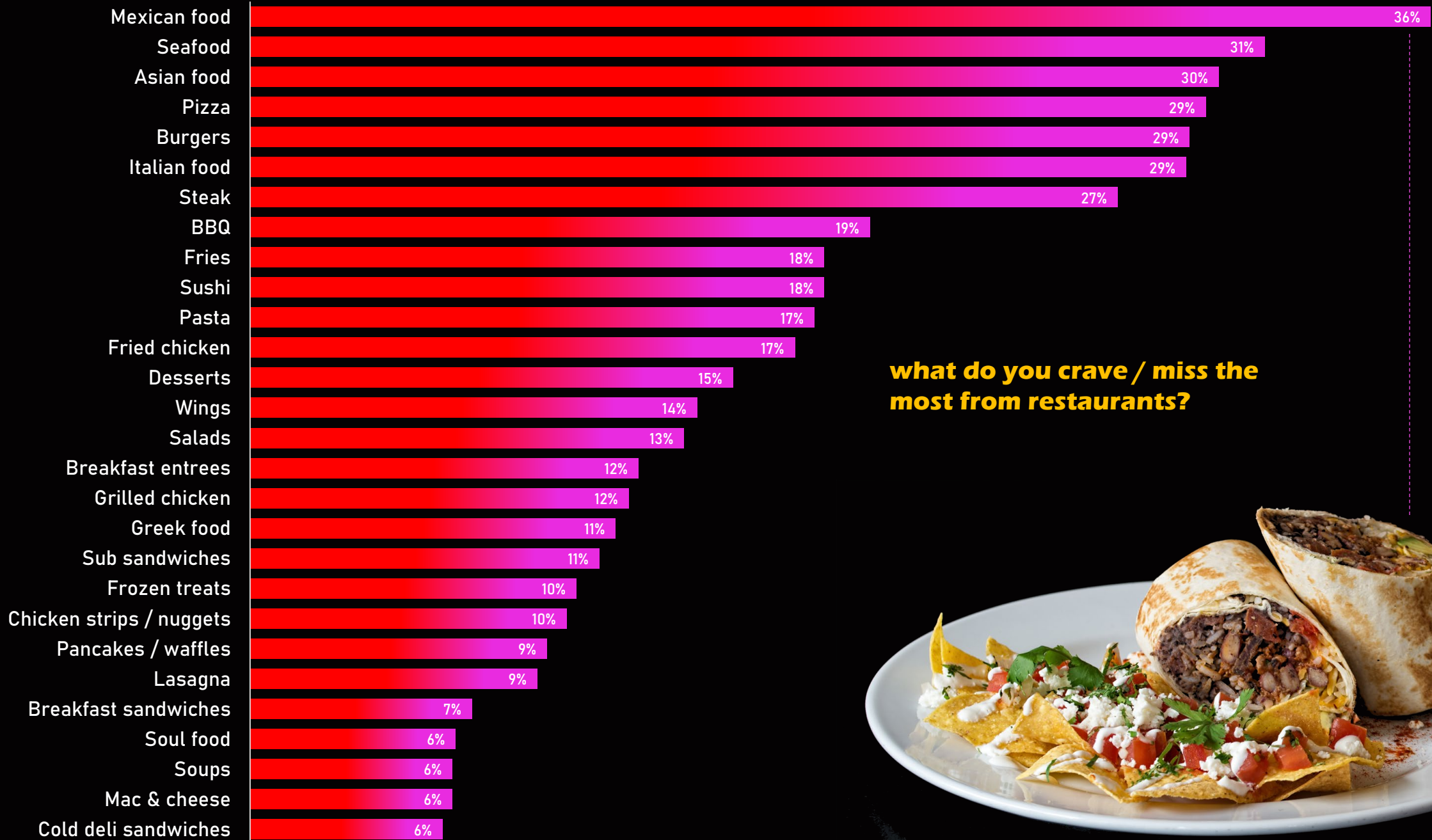
what are you most likely going to choose from the menu the first time you go back to a dine-in restaurant?

68%
INDULGENT DISH



← More likely among women (73%)

32%
HEALTHY DISH



DO YOU HAVE A SPECIFIC RESTAURANT IN MIND THAT YOU ARE MOST LOOKING FORWARD TO EATING AT?

"Well, to be honest, I've been missing Wendy's. I love their hamburgers and French fries. It is always my guilty pleasure. My husband and I always go for lunch maybe twice a month. I've missed that very much."

- a 67-year-old woman in Graham, NC

"I'm looking forward to ordering fish tacos from a local fish taco stand. I've ordered fish tacos via delivery, and it's just not the same."

- a 24-year-old woman in Northampton, MA

"PF Chang's. They have a gluten-free menu so my wife, who is a diagnosed Celiac, can enjoy a meal."

- a 50-year-old man in Rio Rancho, NM

"I'm gonna head to the local Korean BBQ joint and eat it up."

- a 27-year-old man in Fountain Valley, CA

"My local Chinese restaurant. I miss their noodle dishes, wontons, steamed dumplings, and shrimp."

- a 34-year-old woman in Harrisonburg, VA

"I'm looking forward to going to Smokey Bones. Their wings are amazing. We would go there on Thursday nights to play trivia."

- a 60-year-old woman in Liverpool, NY

"I'm going to go to the halal restaurant and order their lamb halal over rice."

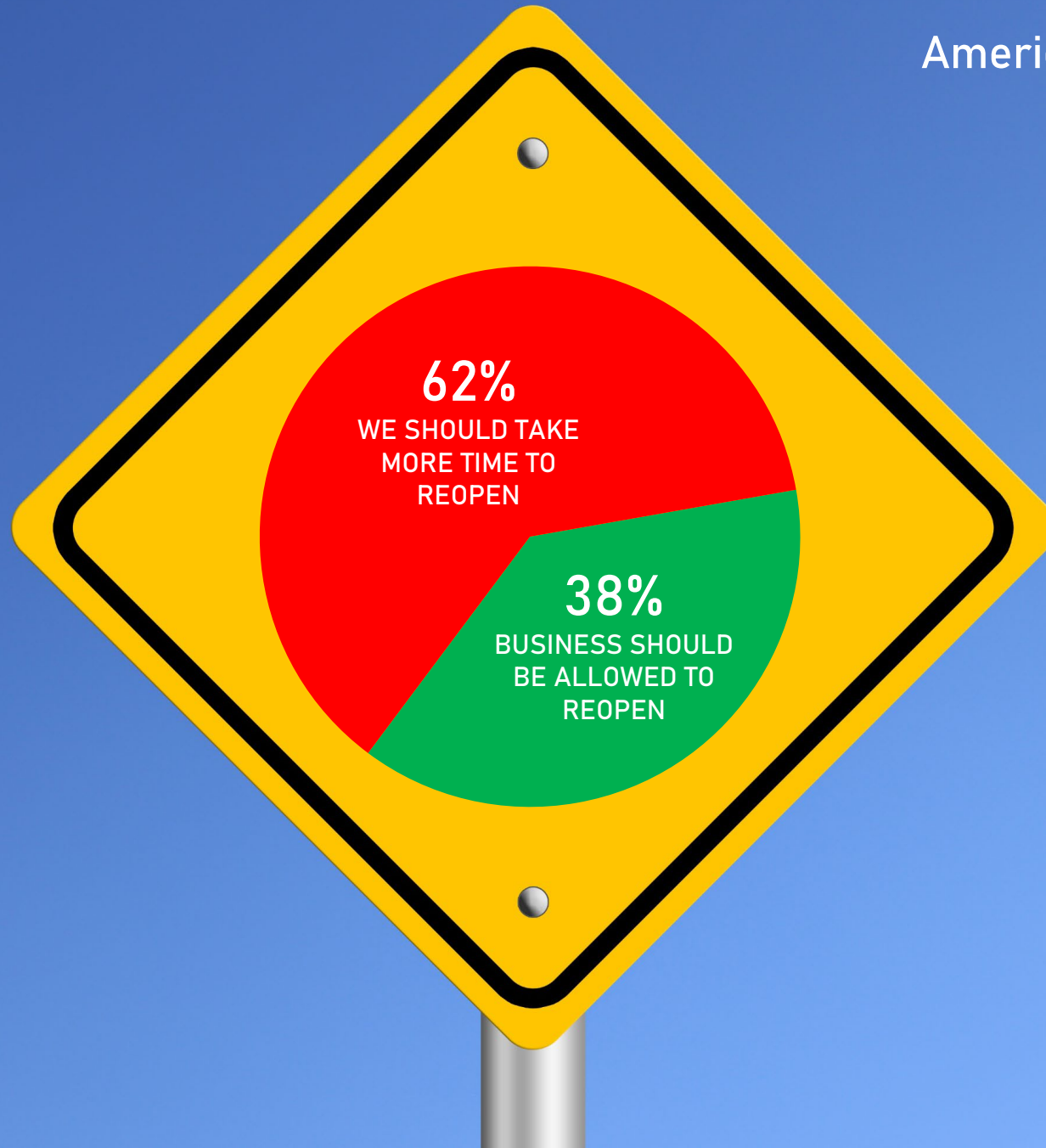
- a 28-year-old man in New York, NY

"Burger King. I miss this restaurant very much. I love the food and service that it provides."

- a 43-year-old man in Kissimmee, FL



Americans would rather proceed with caution.



which do you agree with most?

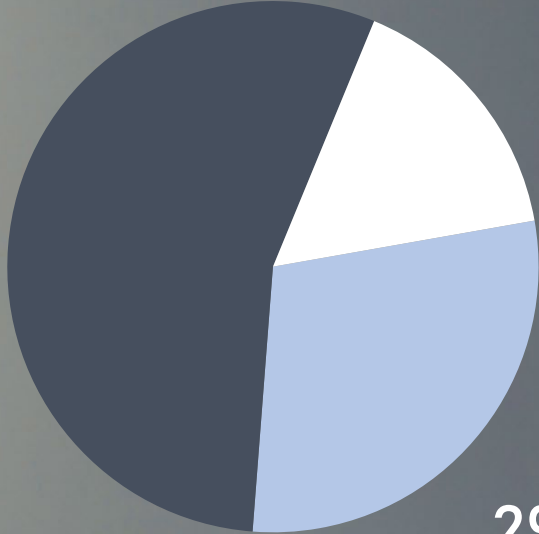


Chains have support to open based on local guidance.

The vast majority of Americans are either neutral or positive toward the idea of their favorite chains reopening for dine-in service on the first day allowed. Males and households with kids are most welcoming to the idea.

how would you feel if your favorite CHAIN restaurant opened up for dine-in service the first day it was allowed?

55%
NEUTRAL, IT WOULDN'T
CHANGE HOW I FEEL



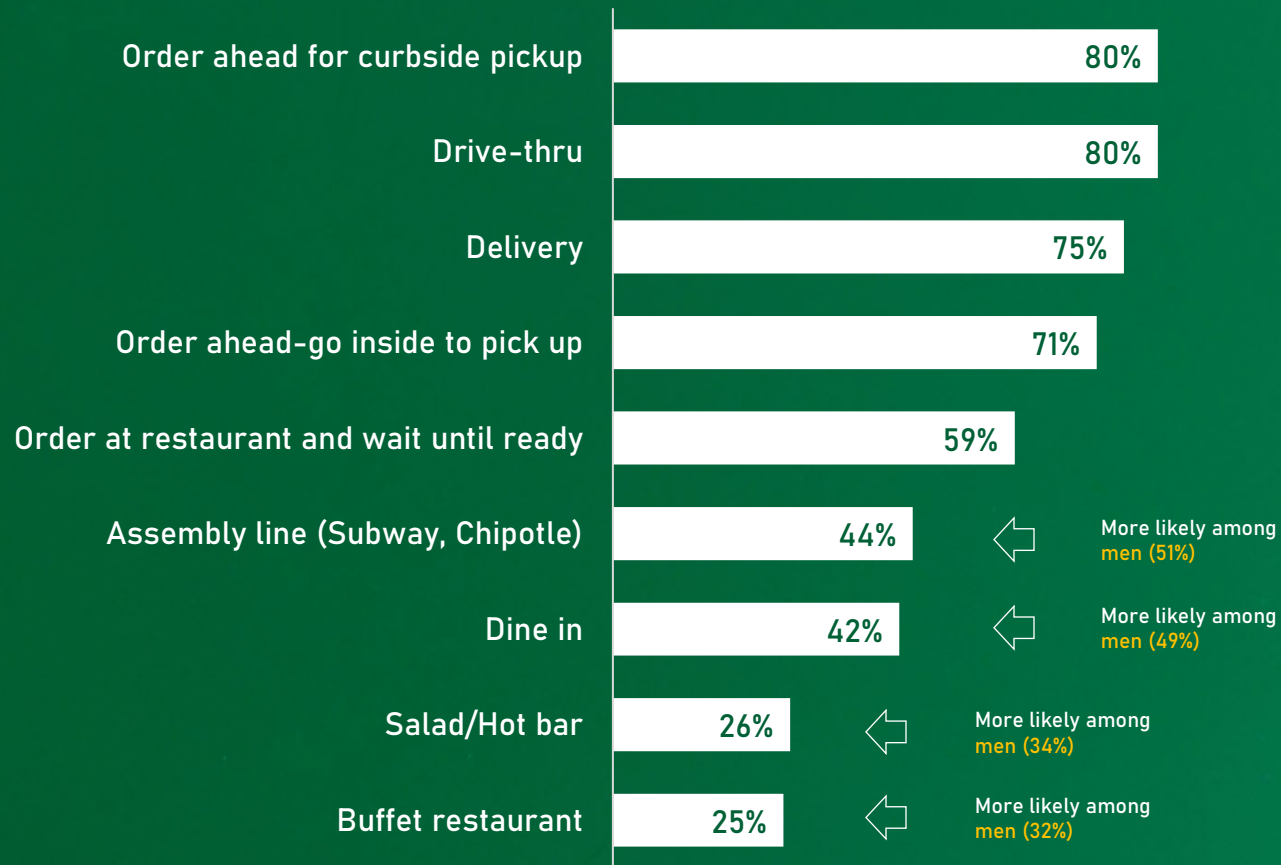
16%
NEGATIVE, IT'S
IRRESPONSIBLE

29%
POSITIVE, I'D LOVE
THEM TO OPEN ASAP

Diners are inching their way back in.

Although options that allow for social distancing are still considered the safest, diners seem to be getting more comfortable with the notion of going inside restaurants. Most feel comfortable going in to pick up their orders or even waiting inside while it is prepared. Just under half are ready for a full dine-in experience. Open and shared food options like salad bars and buffets will take more time to feel safe.

which of the following do you feel truly comfortable/safe doing?



It's no longer just about what restaurants can do for us.

As the COVID crisis took off, people were looking forward to the emotional relief that restaurants provide, whether a sense of normalcy, a change of scenery or simply the chance to socialize. While this still holds true, one significant change since social distancing began is diners' desire to give back. America has seen the impact on the industry firsthand, and there is now a growing momentum behind supporting local eateries.

once social distancing is eased, what are your top reasons for wanting to visit restaurants and bars again?

	April 27	March 29	CHANGE
Needing to feel normal again	41%	45%	-4%
Supporting restaurants in my community	41%	33%	+8%
Change of scenery	37%	35%	+2%
Cabin fever	35%	38%	-3%
Getting foods I can't make at home or easily get delivered	33%	30%	+3%
Needing to socialize in person and be around other people	32%	34%	-2%
I'm tired of cooking at home	28%	26%	+2%
For special occasions I wouldn't want to celebrate at home	22%	25%	-3%
Need a date night / romantic night out	19%	20%	-1%
Need a night out away from the kids	9%	9%	-
None of these - still nervous about restaurants and bars	16%	13%	+3%





HOTSHOT REPORT

Visit Datassential's Coronavirus Resource Library at datassential.com/Coronavirus, your one-stop shop for all COVID-19 research reports, video interviews, restaurant closure maps, and Traffic Briefings, all updated daily as new data come out of the field.



Help us help you.

As the Coronavirus situation continues to evolve rapidly, just tell us what you want to know. If it's something that benefits the food industry, we'll do our best to incorporate it into an upcoming report and provide the results to everyone for free.

And if you have a need that's specific to your company or brand, we would love to design a custom research solution for you.

[click me](#)



America's chain restaurant landscape, reframed in the age of COVID-19.

Datassential's recently-released Firefly 500+ Report dives deep into the metrics of chain restaurant success: annual sales, unit counts, and AUVs; year-over-year growth numbers; and consumer insights from SCORES and BrandFingerprints. This year, the report also includes custom research about COVID-19's impact on the chain restaurant landscape, compiled from March to early May.