thesra.org
SUSTAINABLE RESTAURANT ASSOCIATION

The Discerning Diner
Summary consumer attitude report 2013

Contents

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Sustainable Restaurant Association

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Background

The Sustainable Restaurant Association is a not-for-profit membership organisation helping restaurants become more sustainable and diners make more sustainable choices when eating out. We help our member restaurants source food more sustainably, manage resources more efficiently and work more closely with their communities.

Since our launch in 2009, we have carried out regular research to investigate consumer attitudes towards sustainability in the restaurant sector. This is the third wave of research.

The findings in this report are drawn from a series of surveys conducted by Populus, together with interviews conducted with 17 SRA Member restaurants and a review of the recent media coverage on sustainability issues.

Unilever Food Solutions
Inspiration every day

'At Unilever Food Solutions, operating sustainably is key to everything we do. As part of Unilever's Sustainable Living Plan, we're helping chefs to reduce avoidable food waste and serve nutritious meals to more than one million people worldwide over the next 12 months.

'Understanding consumers' attitudes to sustainability also has an impact on how we operate. That's why we supported this valuable research by the SRA. It helps to reveal the small changes that the industry can make to create a big difference.'

The changing landscape of consumer concern

The main focus of this report is to understand how and why consumer attitudes towards sustainability in restaurants change over time and how restaurants can best respond.

THE SHIFTS IN CONSUMER CONCERN

In 2009, the top concerns for consumers were local sourcing, organic produce, employee treatment and sustainable fish.

In the most recent survey, in 2013, local sourcing remained in the top three, but the top two spots were taken by food waste and health and nutrition — issues which were much lower down the list of priorities in 2009, whilst previous top issues dropped down the list.

Two explanations for this shift in concerns are closely linked:

1. Consumers have a more sophisticated and holistic understanding of sustainability
2. Consumer attention shifts between issues due to influences from the wider world

Consumers have a more sophisticated and holistic understanding of sustainability

Consumers understand that food waste is a social, environmental and economic concern — people are hungry, waste has an environmental impact and is also a waste of a valuable resource.

Consumers' interest in health and nutrition reveals that they are not only interested in learning about calorie content (49%), but also in hearing about fat content (49%), salt content (42%) and allergen content (24%). Whilst local sourcing remains a top issue, we believe that this is now more connected to the provenance of food, rather than a concern about proximity.

Consumer attention shifts due to influences from the wider world

Equipped with a broader and deeper appreciation of sustainability, consumers are more aware of, and primed to engage with, specific issues and events as they occur.

This sequential engagement corresponds to a cumulative increase in sustainability awareness, with each new issue building on the last. Although consumers are easily drawn to and influenced by single-issue campaigns, and their interest follows a natural cycle of arousal and decline, their overall awareness of general sustainability is incrementally increasing.

Consumers' overall awareness of general sustainability is incrementally increasing.

Which of the following issues do you think are most important for restaurants to focus on?

				2009
1	Food waste	53%	▲	**14%** (12)
	Customer health & nutrition	53%	▼	**20%** (9)
3	Locally sourced products	46%	▼	**76%** (1)
4	Employee treatment	40%	▼	**36%** (3)
5	Animal welfare	24%	▲	**22%** (8)
6	Seasonality of products	22%	▼	**24%** (7)
7	Fair trade products	14%	▼	**28%** (5)
8	Carbon footprint	12%	●	**12%** (13)
9	Sustainable fish	11%	▼	**34%** (3)
10	Local community involvement	8%	▲	**26%** (6)
11	General water usage	6%	▼	**17%** (11)
12	Organic produce	5%	▼	**44%** (2)
13	Bottled water usage	4%	▼	**20%** (9)

FOOD WASTE
+39%

HEALTH & NUTRITION
+33%

ORGANIC PRODUCE
-39%

Which, if any, of the following would you like to know more about when eating out?

49%
The fat content of meals

49%
Calorie information about meals

42%
The salt content of meals

24%
Allergen information

Serial interest in single issues creating increasing cumulative awareness

FOOD WASTE

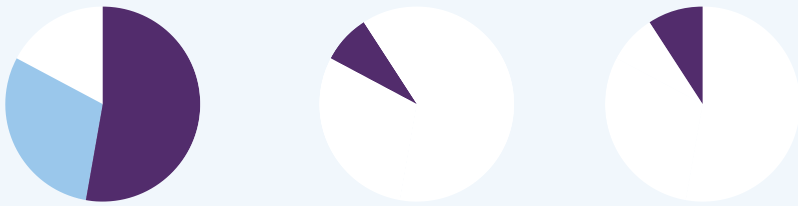
Since 2009, food waste has become one of the issues to which consumers expect restaurants to pay much more attention. 87% think that the amount of food waste generated by the restaurant industry is a serious issue that must be urgently addressed (SRA *Too Good To Waste*, 2011).

In the same survey, almost half of all diners said they didn't take leftovers home because they were too embarrassed or thought they were not allowed to.

1 in 4

PEOPLE WERE **TOO EMBARRASSED** TO ASK TO TAKE HOME LEFTOVERS

? In order to help a restaurant reduce food waste, would you consider ordering a smaller main course portion at a restaurant if the option was available (and the price reflected the smaller portion)?

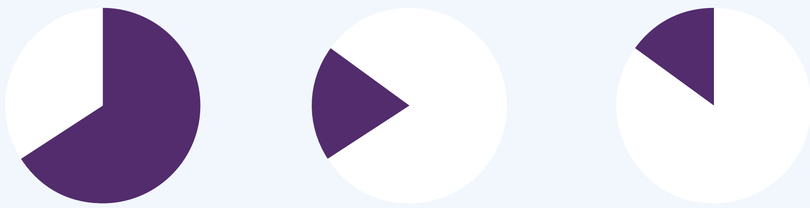


Yes 83% — Maybe 8% — No 9%

Yes, I would consider this in the future 53%

Yes, I already do this 30%

? Would you consider taking leftovers from your meal at a restaurant home with you if you were provided with a container by the restaurant?



Yes 66% — Maybe 19% — No 15%

? What is the main reason that you do not currently ask to take home leftovers?

34%	Never thought to ask
25%	Too embarrassed
24%	Didn't think restaurants were allowed to do this
14%	The leftovers would probably go to waste anyway
4%	It isn't hygienic

HEALTH AND NUTRITION

Eating out is no longer the infrequent treat it once was, and people have started thinking more about the health and nutrition of the meals they eat out of the home. Over the past few years we've also seen widespread attention given to these issues, including public health campaigns and the Department of Health's Public Health Responsibility Deal, to which many household brands have signed up.

Consumers want to feel in control and are no longer parking their worries about health and nutrition at home when they go out to eat.

LOCAL SOURCING

Local sourcing was placed at the top of the list of sustainability concerns in 2009, but we believe that consumers' interpretation of 'local' has changed. In 2009, consumers may have been thinking about local sourcing solely in terms of proximity or 'food miles.' It now appears that the term has become a proxy or catch–all for a broader range of issues, such as provenance, quality, traceability and seasonality, as well as 'food miles.'

IT IS INCREASINGLY DIFFICULT FOR RESTAURANTS TO ACCURATELY PREDICT CONSUMERS' TOP CONCERNS

When we compare consumers' top concerns with what restaurants believe to be their top concerns, we can see how hard it is for restaurants to decipher what consumers really care about. Comparing this to restaurants' own concerns or priorities only highlights this difficulty further.

It is important, therefore, for restaurants not to restrict their focus to the issues they believe their customers' top concerns to be, as these can be hard to gauge. We see, in fact, that consumers and restaurants do share many of the same concerns, but there are also many gaps.

Consumers and restaurants do share many of the same concerns, but there are also many gaps.

Top concerns of restaurateurs

Restaurateurs' concerns		Restaurateurs' perceived level of consumer concern	Actual level of consumer concern
1 Employee treatment	59%	24%	40% (4)
2 Seasonality of products	41%	47%	22% (6)
Locally sourced products	41%	71%	46% (3)
3 Food waste	35%	24%	53% (1)
4 Customer health & nutrition	29%	29%	53% (1)
5 Sustainable fish	24%	12%	11% (9)
Animal welfare	24%	29%	24% (5)
6 General water usage	18%	0%	6% (11)
7 Organic produce	12%	24%	5% (12)
8 Local community involvement	6%	18%	8% (10)
9 Fair trade	6%	0%	14% (7)
10 Carbon footprint	1%	6%	12% (8)

SEASONAL PRODUCE

Restaurateurs **over-estimate** consumer concern by

25%

LOCALLY SOURCED PRODUCE

Restaurateurs **over-estimate** consumer concern by

25%

FOOD WASTE

Restaurateurs **under-estimate** consumer concern by

29%

FAIR TRADE

Restaurateurs **under-estimate** consumer concern by

14%

Restaurateurs' perception of consumers' top three concerns

LOCALLY SOURCED PRODUCE

Actually food waste and consumer health & nutrition

SEASONAL PRODUCE

Sixth in the ranking of issues consumers care about

ANIMAL WELFARE

Consumer interest is increasing; currently 5th most important

Sustainability expectations and price

There is a perceived link between price, quality and sustainability. When charging a higher price, correspondingly high levels of sustainability are expected as well as quality, service and ambience.

Whilst consumers undeniably understand that many factors affect price, they do expect a restaurant to act responsibly if a meal is more expensive. In other words, more people expect a restaurant that charges £20 to be sustainable across the board, than a restaurant charging £10 and likewise for a restaurant charging £30+ for a meal compared to £20. Since consumers know from their own shopping experience that a free range chicken is more expensive than a non free range one, it's perhaps not surprising that they believe that, if they are paying £30 or more for a meal, it should be easier for the restaurant to live up to their sustainability expectations.

Less affluent consumers care too, but they're more inclined to expect sustainability to be included in the price

Whilst the findings may lead us to believe that consumers care less about the sustainability of cheaper restaurants, we find that the true picture is somewhat different. Consumers across the economic spectrum have high expectations of restaurants' sustainability performance. Consumers from lower socio–economic backgrounds expect restaurants in the cheaper price bracket to meet their sustainability expectations. This mirrors findings in Asda's 2011 *Green is Normal* study which showed that over 80% of respondents bought green products because they thought it was the right thing to do, but that the same amount expected those products to be priced within their means.

We see the biggest shift in expectations across the price divide for sustainable fish, free range meat and local sourcing. Issues such as calories on menus, free tap water and the fair distribution of tips, show the smallest variation according to meal price.

People are prepared to pay more for sustainability

In line with their expectations of price and sustainability, consumers are prepared to pay more for a meal at a restaurant that is investing in sustainability (56%). This indicates that consumers are willing to act on, and pay for their beliefs, showing that, whilst they may expect more expensive restaurants to be more sustainable, it is also something they think is worth paying more for.

Although most consumers are only willing to pay a little more for a meal at a restaurant that invests in sustainability, this can still be seen as a justification for investing in sustainability. Almost half (43%) of those asked said they would be prepared to pay up to ten per cent more for their meal in a sustainable restaurant, and an investment in sustainability is one way of attracting new customers and retaining existing ones.

Considering different types of restaurants, which of the following commitments would you expect each to be addressing?

	Average charge per person for a meal		
	Less than £10	£10—£20	£30 or more
All meat free-range	15%	32%	56%
All fish from sustainable sources	25%	46%	65%
Pay above the minimum wage	35%	53%	71%
No eggs from battery hens	32%	49%	64%
Most produce locally sourced	31%	49%	64%
Organic milk	4%	15%	35%
All meat from firms with certified animal welfare standards	37%	53%	67%
Regular staff training and development	37%	51%	66%
No genetically modified food	29%	40%	56%
No air-freighted products	11%	20%	38%
British meat	38%	54%	67%
Initiatives to reduce energy consumption	18%	28%	45%
Free take-out containers for left-over food	27%	40%	52%
Tips distributed to staff as bonus not to make up wages	48%	54%	54%
Provision of tap water free of charge	46%	54%	64%
Calories on menus	27%	33%	46%

The effect of brand names

The biggest challenge, however, might rest with the casual dining restaurant sector, where there is stiff competition and whose consumers are price conscious yet have expectations about sustainability. Brand names are often more adversely affected than smaller restaurants because consumers associate the brand more closely with quality and have expectations about behaviour.

SO WHAT DOES THIS MEAN FOR RESTAURANTS?

For more expensive restaurants

It means when consumers pay a high price for a meal they expect sustainability to be factored into that price, rather than being a point of difference, and these restaurants will have to do more to impress diners. Luxury is enhanced for consumers when they know the experience is a result of careful and responsible choices.

For mid-priced restaurants

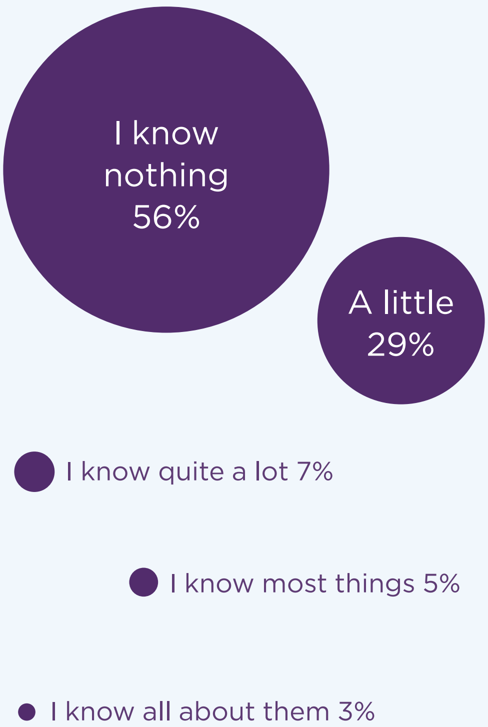
Consumers have higher sustainability expectations of these restaurants than they do of cheaper ones, yet they operate in a very competitive space and face an even greater need for transparent communication.

For cheaper restaurants

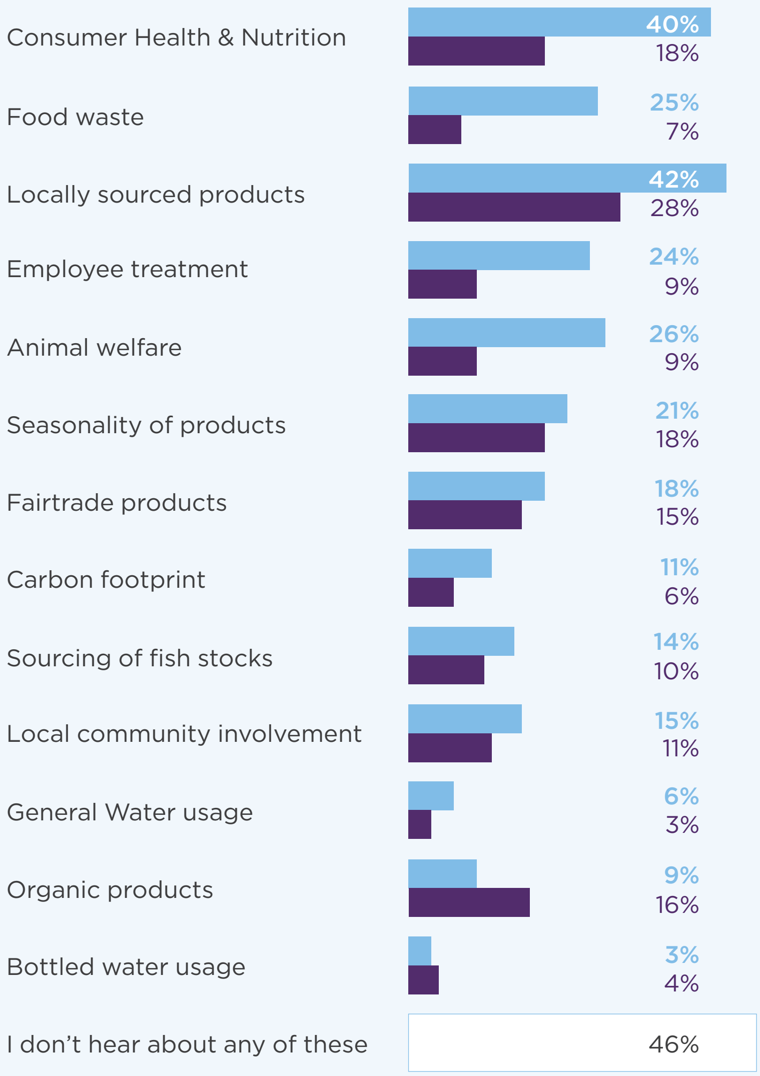
The fact that expectations of sustainability are often much lower with cheaper restaurants presents a big opportunity, especially for large chains that have made significant sustainability achievements. Pro-actively communicating sustainability activity, even on a small scale, can prove a worthwhile investment for restaurants, as consumers are likely to be more impressed.

We see the biggest shift in expectations across the price divide for sustainable fish, free range meat and local sourcing.

? Thinking about the restaurants that you regularly eat out in, how much do you think you currently know about their social and environmental standards?



? What issues would you like to hear more about from the restaurants you eat in (■) and which issues do you actually hear about (■)?



The desire for better communications

More than eight out of ten (85%) of the people we surveyed indicated that they knew little or nothing about the social and environmental standards of places at which they ate.

Almost half (46%) did not think they had seen any communication in restaurants on sustainability related issues. This is perhaps surprising considering only 16% of consumers indicated they were not interested in hearing about any of these issues.

Local sourcing is the only issue that more than a quarter of consumers say restaurants communicate about to them. However, given consumers' concern about other issues, e.g. food waste, it is important for restaurants to find innovative and interesting ways to communicate their performance on these subjects too.

INTEREST IN COMMUNICATIONS

The low level of communication of sustainability contrasts sharply with consumers' desire to hear about these issues. We find that on 12 of the 13 issues consumers would like to hear more than they currently are from restaurants. Unsurprisingly, they would especially like to hear more about the issues that rated highest amongst their concerns.

HOW RESTAURANTS SHOULD APPROACH COMMUNICATING SUSTAINABILITY

Many restaurants worry that consumers will find messages about sustainability worthy and/or overbearing, to the point that they spoil the dining experience. Also, given the sheer breadth of sustainability issues, it can be hard to communicate these in a way which is interesting and relevant to consumers without overwhelming them.

Local sourcing is the only issue that more than a quarter of consumers say restaurants communicate about to them.

How restaurants can demonstrate that their house is in order

The first step for restaurants is to reassure consumers that they are thinking about all the key sustainability issues.

By communicating their sustainability activity clearly and transparently, restaurants will not only be reassuring existing customers, but also sending a positive message to potential customers who have been previously unconvinced of their commitment to sustainability.

When it comes to reassuring consumers about sustainability performance there are three options:

Using a certification

The SRA rating is an effective way for restaurants to show consumers that they are responsible and taking care across a wide range of sustainability issues. The clear rating mechanism (One, Two or Three Stars) means consumers can easily see that a restaurant cares about sustainability and understand how it is performing overall.

Making the information readily available for those who want to find it

Our research reveals that most consumers want restaurants to be transparent about their sustainability performance. Front of house staff are one of a restaurant's best possible communication channels. By engaging them in the business' sustainability programme through training, including them in visits to suppliers and incentive schemes to reduce energy use and waste, for example, restaurants can create the perfect vehicle for communicating with consumers and dealing with their queries. A great many restaurants make information available to their customers on their website, by featuring information about their suppliers and other sustainability achievements.

Taking action that demonstrates sustainability issues are being tackled

Two compelling examples of practical action demonstrating a serious commitment to sustainability are Wahaca's participation in the SRA's Too Good To Waste campaign, and Pret a Manger's activity to help the hungry.

Too Good To Waste

Wahaca, the London-based group of Mexican restaurants, was one of the original participants in the SRA's 2011 campaign, *Too Good To Waste*, to raise consumer awareness of food waste in restaurants and help restaurants reduce the amount of food they throw away. Wahaca stocked *Too Good To Waste* doggy boxes and offered them to customers who hadn't finished their meals. Over a six-month period they witnessed a 20% reduction in plate waste and demonstrated to customers that they cared about the environment and customers' wallets, and they continue to offer the boxes today.

Made Today Gone Today

Pret's *Made Today Gone Today* campaign to donate food to charities sends out three positive messages: the company is providing support to the community by helping feed the hungry, it helps show customers all its food is fresh and helps reduce food waste. It communicates this activity on all its touch points — including effectively on its napkins and tables.

Our predictions for 2014

Working closely with restaurants, food service companies and consumers has given the Sustainable Restaurant Association a unique insight into consumer attitudes to sustainability within the restaurant context.

Whilst we have seen many shifts over the past few years, we predict that the top issue in 2013/4 will be drawn from these four:

Animal welfare

While, historically, opinions around animal welfare have been largely polarised, it appears those who were previously uncommitted, are voicing their disquiet at the way in which our industrialised food system is treating livestock. We see this groundswell both quantitatively in the data, with animal welfare being one of only two issues (together with food–waste) that has climbed in importance each year, and more qualitatively in the buzz around food and sustainability. The issue appears ripe for media exposure and our prediction is a breakthrough year for animal welfare issues, with the possibility of standards such as Red Tractor and RSPCA's Freedom Food being closely examined and chicken once more being in the spotlight.

Health and nutrition

The spotlight on this issue shows no sign of dimming. Continued consumer interest, fuelled in part by the ongoing debate about school food leads us to think there will be a further increase in consumers' desire for restaurants to keep on top of this issue. They will need to ensure they communicate clearly the nutritional value of the food they are serving.

Local sourcing

We predict this will continue to be rated highly, in the light of the long–running horsemeat scandal as consumers want to know what's in their food and where it comes from.

Carbon footprint

As with animal welfare, carbon footprint is one of the few issues trending higher over the last three years, and this, combined with the increasing media coverage of real and perceived climate change, means we include carbon footprint as the outsider which may top the leaderboard of concerns in 2013/14. Despite the early demise of Otarian, the first restaurant to put the carbon footprint of the food at the heart of its offering, climate change has not gone away as an issue and we see consumer concerns over the carbon impact of food as the dark horse of the group.

‘As a chef, it is always important to listen to what your customers really care about. So this research makes fascinating reading and will help my fellow restaurateurs and I match diners’ priorities and think more about how we tell our customers about all the good things we are doing. This report provides further evidence that our customers not only want to enjoy high quality food, but also want to know that the restaurants they eat in are managing their business responsibly.’

Raymond Blanc, OBE, SRA President

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