



POP

Parties Off-Premise

*Helping operators
grab their share of
the growing
consumer catering
opportunity*

From box lunches and party platters to parties complete with off-site food preparation, catering is one of the fastest growing segments of the foodservice industry. Faced with declining guest traffic, operators in all segments are eyeing the double-digit sales growth reported by chains that have invested the resources in developing this business.

A recent Technomic consumer survey hinted at the opportunity. More than one in three respondents reported having ordered meals or platters from a restaurant or retailer for meetings, parties and social occasions, with **79 percent reporting that these purchases were for personal social occasions rather than work-related events**. Moreover, **these purchases are made with relative frequency**, with 33 percent indicating they place these type of orders at least once a month.

Although the majority of these consumers' orders are sourced from retailers (supermarkets, warehouse clubs, etc.), chain restaurants are also used for personal off-premise occasions, especially for hot meals and full-service offerings. **To provide actionable consumer and industry insights and help chain operators successfully tap into this opportunity, Technomic is launching an in-depth study, POP: Parties Off-Premise.**

Key Study Benefits for Operators

Catering offers operators a unique sales growth opportunity with the ability to build same-store sales without cannibalizing dine-in traffic. The study will help operators:

- Define the size of the opportunity
- Prioritize catering occasions and understand the opportunity for each occasion type
- Gain insights into source selection drivers (between supermarkets, LSRs, FSRs and independent caterers)
- Understand the importance of each program element (menu, service, packaging, presentation, delivery, pricing, etc.) *by occasion type* (kids' parties vs. baby showers vs. holiday open house, etc.)
- Learn how to compete with retail foodservice (supermarkets, warehouse clubs) and independent caterers for a greater share of this business
- Understand and learn from the best practices of leading caterer operators

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Objectives and Critical Issues

Sponsors of the Parties Off-Premise study can expect to receive in-depth insights centered on three primary objectives:

1. Understand the size of the opportunity.

- Current size and growth projections
- Size of the opportunity for LSRs, FSRs, and retail operators
- Primary social occasions and opportunities by occasions
- Typical order size/amount spent

2. Gain consumer decision-maker insights.

- Key influencers in catering supplier selection
- Driving motivations/need states
- Current market leaders
- Creating awareness and developing consumer acceptance as a catering alternative
- Decision-maker expectations and differences for LSR, FSR and retail providers
- Impact of catering programs on consumer perceptions towards “regular” dining occasions
- Most critical factors influencing preferences; source-selection drivers
- How consumers evaluate pricing
- Preferred ordering options
- Timing considerations
- Preferences for packaging and presentation
- Delivery considerations

3. Identify operational issues and best practices.

- Menu—what modifications will enhance consumer appeal?
- Operational implications
- Seasonality of the business
- Are dedicated staff and facilities needed?
- Key issues impacting profitability
- Which programs have best-in-class attributes (promotion, sales, execution, etc.)?

Scope and Approach

To meet our study objectives, we will employ a cost-effective approach which covers critical issues, addresses participant-specific concerns, provides for confidential and in-person reporting of study results, and relies upon our firm’s well-established experience base in conducting multi-client studies of this type.

Step One: Participant Input Session

Technomic will meet privately with each participant to discuss background issues, identify any proprietary topics and determine study output requirements. Please note that this step can only be fully-utilized by sponsors who join before the study is launched.

Step Two: Secondary Source Review

Review of all publicly-available information on catering programs by chain restaurants and retail operators, utilizing our existing foodservice research library, external data searches, and field visits.

Step Three: Voice of the Customer Research

Qualitative feedback will be obtained from consumers who have recently placed orders for off-premise catering for personal/social occasions, through four focus groups in major metropolitan markets as well as smaller cities. Group participants will also be balanced by income and age groups, as well as occasion usage. Study sponsors who join the program prior to fielding these sessions are invited to view them, and if desired, gain input on elements of their own current or proposed catering offering.

Step Four: Quantitative Consumer Research

This online survey will compile 1,000 responses, using a national sample, to ascertain key consumer perceptions, awareness, attitudes and use of chain restaurant and retail foodservice catering programs.

Again, study sponsors who join the program prior to fielding this survey can review the questionnaire and add a limited number of proprietary questions, as well as an optional opportunity to obtain an over-sample of users of your own and/or key competitors' catering programs. Over-samples in specific markets may also be purchased.

Step Five: In-Depth Industry Interviews

Qualitative feedback from retailers and chain restaurant operators with successful and/or innovative catering programs will be obtained via personal interviews with key restaurant and retail executives.

Step Six: Experiential Benchmarking

Consumer and industry perspectives will be supplemented with Technomic's own field observations and analysis, as well as qualitative feedback from unit-level staff of restaurant and retail operators with catering programs. Technomic will evaluate the offerings and execution on a variety of critical consumer attributes. Field testing and evaluation of third-party order and delivery services will also be included. Detailed profiles of select restaurant and retailer off-premise catering programs will be provided (sponsors share input on which concepts will be profiled).

Deliverables

Sponsors of this research will receive copies of the full written report, tailored to their company and including detailed data (tabs and banners) of the quantitative research. Sponsors also receive a personal presentation by senior Technomic staff to ensure complete communication of study findings and to discuss proprietary issues and strategies. This presentation will take the form of a half-day work session in Chicago. If you elect to conduct this session in your office, travel costs will also be billed. If desired, copies of the focus group DVD will also be provided.

Next Steps

Our 2007 study titled *LOOP: Large Orders Off-Premise* provided a wealth of data and some surprising insights which enabled study sponsors to create or fine-tune their business-to-business catering initiatives and capture greater market share. We look forward to delivering similar results to sponsors of this new study, focused on catering for consumer social occasions.

For a complete study proposal or to learn more about how this study can make a measurable impact on your organization's sales performance, please contact:

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