

VOLUME 2, ISSUE 3

SUSTAINABILITY IN FOODSERVICE: A GUIDING PRINCIPLE

SUSTAINABILITY ISN'T ONLY ABOUT
THE FOOD WE SERVE. IT'S ALSO ABOUT
SMART, SIMPLE WAYS WE CAN
IMPROVE THE WORLD AROUND US.

88%

of operators believe
sustainability has
importance in their
operation today

TEN YEARS AGO, LESS THAN 3% OF CONSUMERS KNEW THE TERM SUSTAINABILITY.



And even less may have talked about it. Fast forward to 2019 and over 80% of consumers know the term, according to The Hartman Group, a leading market research firm. While sustainability remains quite broad, there are specific ways that food companies, restaurants, and food purveyors are demonstrating what it means to them.

Why? Because sustainability really matters to consumers.

- 55% are willing to pay 15% more for sustainable packaging, according to McKinsey.
- 66% are willing to pay more for sustainable brands, according to Nielsen.
- Products with a sustainable statement have grown at 4 times the rate of products with a commitment to sustainability.

75%

of Millennials are willing to pay
more for sustainability compared
to 66% of total population

73%

of operators expect
sustainability and/or social
responsibility to take on a
greater role in the next 2 years

YOUR ACTIONS SHOW EMPLOYEES AND CUSTOMERS WHAT YOU STAND FOR AS A COMPANY.

51%

of millennials state they check product labels for sustainability claims before buying a product. (Nielsen)

BE TRANSPARENT.

It isn't a marketing tactic. It's a guiding principle. Being open, clear, and honest in how products and programs are created will offer visibility to employees (and encourage them to get onboard with your sustainability efforts). Share your progress to instill trust.

LEAD BY EXAMPLE.

Giving employees a mission to rally behind speaks loudly among your teams and with your customers, especially when the message is supported with measurable action.

LISTEN TO YOUR GUESTS.

Consumers are passionate, especially on the topics that mean the most to them. Lead with how your sustainability efforts benefit the environment, and ultimately your customers, knowing small price increases are often accepted by consumers when they know the result is helping an important cause.



CONSUMERS DEMAND & VALUE TRANSPARENCY

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Around 93% of consumers, continue to say it is important for brands and manufacturers to provide detailed information about what is in their food and how it's made.

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By the numbers:

- 74% of shoppers say they would switch from the brand they usually buy to another brand if it provides more in-depth product information beyond the label.
- 86% of shoppers said, if food manufacturers or retailers provided access to complete and easy to understand definitions for all the ingredients, it would result in more trust.
- 75% of restaurant patrons demand sourcing transparency.
- 81% of people believe social media has increased accountability for businesses.



CONSUMERS BELIEVE COMPANIES SHOULD TAKE A STAND

Where should you tell your transparency story?

56% of people want brands to be most transparent on social media, with 43% specifically naming live video as the most transparent medium.

Sustainability goes beyond caring for the environment. It's also about taking care of people: employees, partners, and community. Employee diversity, equal rights, humane working conditions, living wages, charitable giving, and community involvement all fall within the social sustainability category.

By the numbers:

- 63% of Americans are hopeful businesses will take the lead to drive social and environmental change.
- 78% want companies to address important social justice issues.
- 64% of those who said it's "extremely important" for a company to take a stand on a social issue said they were "very likely" to purchase a product based on that commitment.

What does transparency actually mean?

The largest number of people say transparency is when businesses are open, clear, and honest .

49%
HONEST

53%
CLEAR

59%
OPEN



FOOD WASTE, PACKAGING, & SOURCING REMAIN HOT TOPICS

1 ton

Average quick-service restaurants produce over a ton of trash a week. That doesn't sound like a lot, until you multiply that out by several locations.

What can be composted, recycled, thrown away, or reused is a hot topic. Even hotter? Upcycling and root-to-tail cooking—both trendy and cost-effective in reducing waste. Admittedly, most restaurants are falling short in solving the problem. According to a US Foods independent operator survey, 58% are tracking some things related to food waste, but only 30% have a formal process in place to meet their goals.

TIPS FOR FOOD WASTE:

- Invest in technology systems to track inventory, top selling items, and waste to optimize menu offerings and eliminate ingredients that are ending up in the trash.
- Reinvent service styles to better the environment, such as trayless days in noncommercial operations.
- Find local donation programs to offset food waste when unserved food is inevitable.
- Tighten up processes and training to ensure portion sizes are followed, food prep is efficient, and procedures are in place to avoid food spoilage such as batching and freezing.
- Brainstorm new menu items that utilize other dishes' "trash." What can you do with day-old bread, stems from fresh herbs, or lemon rinds from your freshly squeezed lemonade?
- Involve your team in waste reduction efforts by sharing the sustainability plan and instituting a robust training plan. Set team goals and incentivize participation.



At American University in Washington, D.C., a trayless day was found to reduce food waste by 32%,

COMPOSTABLE & RECYCLABLE PACKAGING

The demand for environmentally-friendly packaging is growing. Brands are gravitating toward reusable and biodegradable packaging to make a positive impact on the planet, and to meet consumer expectations. Today's focus for packaging needs to be on fully recyclable materials, clear labeling, convenient pack sizes, and customer-focused enhancements.

EXAMPLES TO CONSIDER:

- Straws made from biodegradable materials, such as hay corn-based polylactic acid (PLA) and paper, are available while many restaurants move to a by request only policy or plan to eliminate altogether.
- Revival Food Hall, Chicago, launched an ambitious recycling program that includes discounts for consumers who bring their own cups, a bag- by-request-only, and serves water from aluminum cans.
- Ancolie, NYC, offers glass to-go packaging. The cost is built into the food costs, but the packaging can be reused at home or returned to the restaurant for a \$2 credit.
- Salud, Long Beach, CA, uses glass for juices and ties it to a rewards program. Diners who return 10 bottles earn a free juice.
- Mason, Miami, sends to-go orders out in a blend of bagasse (a byproduct from sugarcane) and wheat straw packaging, which the company claims will often disintegrate in less than a week.

OTHER TIPS:

- Make it easy for customers to participate. Add easy to understand labels to bins and make the switch to reusable trays, plates, and cutlery.
- Do a quick inventory of other items you might be using that cannot be recycled, such as batteries, flyers, menus, and lightbulbs.
- Invest in newer iterations of disposables that have been designed with the environment in mind, are biodegradable, and use less energy and water when produced.



ETHICAL & SUSTAINABLE SOURCING

As more consumers become vested in how their food is sourced, locality has become more important. According to Technomic's 2018 Healthy Eating report, 31% of consumers say they'd be more likely to buy and pay more for food and beverages that are local.

- Ethical sourcing ensures environmental and social impacts are considered when making sourcing decisions.
- Locally-sourced food translates to less energy used in transporting foods and economic stability for local farmers and producers. Fletcher Allen Health Care in Burlington, Vermont, for example, sources 37% of its total food budget from local farmers and food producers, including yogurt, fruit and vegetables, cider, and turkey.



GLOBAL CONCERNS ARE LOCAL CONCERNS

Land and Water Resources:

According to a new United Nations report, concerns around the consumption rate of the world's land and water resources combined with climate change is putting pressure on the ability of humanity to feed itself.

Pollution Levels:

Consumers are increasingly concerned about air toxicity. In October 2017, it was reported that Los Angeles had had its worst smog season in at least 13 years.

Sources: FMI, The Transparency Imperative: Product Labeling from the Consumer Perspective, 2018; Technomic Summer 2018 White Paper, Green Revolution; Sprout Social From Risk to Responsibility: Social Media & the Evolution of Transparency study, May 2018; 2017 Cone Communications CSR Study; Shelton Group, Brands & Stands Social Purpose is the New Black 2018; Foodservice Director, 4 sustainability advancements for 2018, January 2018; Source: NYTimes, Climate Change Threatens the World's Food Supply, United Nations Warns, Aug. 2019; Food Dive, Pollution: The Next Big Food Opportunity, April 2018; QSR Magazine, What Restaurant Sustainability Looks Like in 2019

AT CUSTOM CULINARY®, OUR SUSTAINABILITY PLATFORM IS FOUNDED ON PEOPLE, PLANET, AND PERFORMANCE.

Caring for our employees and communities, driving responsible environmental action, and ensuring the long-term success of our organization is more than a project or an initiative. It's our guiding principle.



Our culture is built on supporting our employees, their families, and associations committed to serving our surrounding communities.



We understand the importance of acting as good stewards to our shared planet. Today, focus is being placed on energy efficiency, water conservation and sustainable sourcing.



Our success is directly related to the advancement of our customers. We are dedicated to ethically and responsibly growing our customers' brands while maintaining our food safety excellence.

WHERE INSIGHTS BECOME INSPIRATION™



At Custom Culinary®, we believe improving the world around us is just as important as the products we make. It's the promise we've made to ourselves, to our customers, and to our communities. You can find out more on our website, or we can tell you all about it. Either way, know that being true to the food feels even better when you know what you're working toward.

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