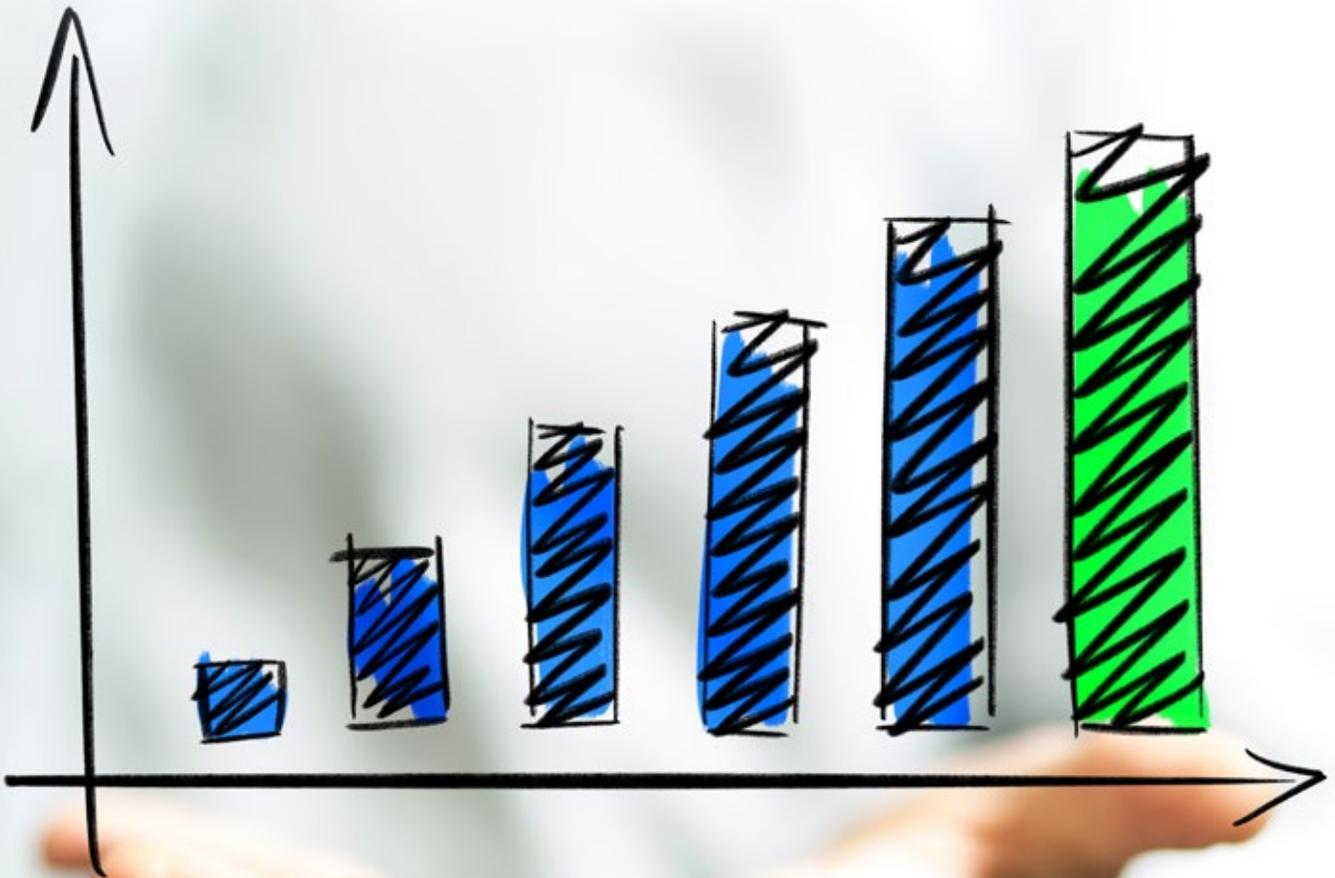


## 2018 MULTICLIENT RESEARCH

- Strategic & affordable foodservice intelligence
- Customizable options ensure relevance
- Actionable, trusted recommendations for growth



# Q1 Consulting Multiclient Research

The following overview of our planned studies for 2018 outlines key themes and questions to be explored. Your input is welcome and encouraged, as we continue to develop project scope for these topics. Each multiclient study includes the following deliverables:

- ① **Comprehensive PowerPoint report** with extensive metrics and exclusive Q1 advanced analysis around complex foodservice elements, such as brand perception, packaging, promotions, frequent users, and more.
- ② **Easy-to-digest commentary** with key takeaways and actionable recommendations.
- ③ **Robust appendix** with full study data from questions and responses.

## ➤ 2018 Topics



### Study topic & background



### Key questions addressed



### Timing

#### C-Store Prepared Foods

Continued improvements to foodservice options, ingredients, merchandising, and varieties have made c-stores a destination for a broad demographic—including the much-coveted Millennial, the first group ever to demand “healthy” in the channel. C-stores have also upgraded menus to include diverse and ethnic grab-and-go foods with premium ingredients, customization, and in some cases, advanced preparation techniques rivaling restaurants. Moreover, in the past 12 months, prepared foods are picking up industry wide, with an increase in sales reported across cold and hot sandwiches, fresh baked goods, and non-sandwich breakfast foods. This **2018 sequel to our 2016 landmark study** will provide suppliers with an up-to-date evaluation of c-store prepared food and dispensed beverage programs, assessing key marketplace shifts in the last two years.

- *What is the overall size of the convenience store foodservice market by major product category according to NACS?*
- *What are the anticipated growth drivers and inhibitors?*
- *Who are convenience store customers? Who are the heavy users? Who are the moderate users? Who are lapsed users? Where are potential customers going instead and why?*
- *What are attitudes toward certain food categories?*
- *Which occasions and dayparts see the most traffic?*
- *Which foods and promotions are driving usage?*
- *Are consumers satisfied with the products they are buying? What needs are unmet?*
- *How are retailers currently utilizing and merchandising foodservice products?*
- *What role does equipment play in preparing hot food items?*
- *What role does staffing play in customer satisfaction?*
- *What kinds of packaging considerations are important to retailers? To consumers?*
- *What are the distribution dynamics in the channel? How should manufacturers go to market? What are the sales force requirements?*

**Kickoff First Quarter 2018, Delivery Late Second Quarter**

#### Emerging Chains

It's no secret that innovation—in menus, service formats, and technologies—can most often be found at emerging chains, the trend-setters and mavericks who are outpacing industry growth and are poised to gain major market share in coming years. In our all-new study that leverages insights from original qualitative and quantitative research, Q1 will examine emerging chain success factors and marketplace dynamics to help:

- **Foodservice suppliers** understand, target, and successfully sell to/build lasting value-added relationships with these promising players.
- **Foodservice operators** monitor trends, glean competitive insights, and benchmark performance.

- *What criteria is used for emerging chain classification?*
- *Who are the 100 fastest-growing emerging chains? Where are they located and who are the key contacts? What are the menu, service, and technology or equipment trends that are making these concepts successful?*
- *What are current systemwide sales for individual chains, menu categories and the market at large? How might these numbers look in 5-7 years from now?*
- *Which menu categories have the largest share? Which segments?*
- *Which dayparts and occasions see the most traffic? Across which menu categories?*
- *What regional menu trends are driving traffic?*
- *Which promotions are the most effective? How are these chains promoting themselves?*
- *Where does my product best fit? What is the recommended strategy to target these select chains?*
- *What percentage of sales are driven by carryout? What types of packaging are popular with operators?*
- *How are the most innovative concepts using technology to boost ordering and delivery?*

**Kickoff First Quarter 2018, Delivery Late Second Quarter**



## Study topic & background



## Key questions addressed



## Timing

### Micromarts

The vending channel has seen significant innovation in the last five years through the micromart concept, where customers select food items from a variety of merchandisers at a self-checkout touchscreen kiosk. The appeal of micromarts appears to be universal—**consumers** appreciate the ability to hold products and examine their nutritional value; **operators** and **suppliers** benefit from the flexible format of not needing to limit the dimension of their offerings to a standard vending machine; and clients in **non-commercial segments**, such as B&I and Recreation, are eager to adopt foodservice alternatives, as onsite food preparation becomes more difficult to support. For these reasons, paired with the ever-rising demand for convenient away-from-home food options, Q1 has identified micromarts (with nearly double the net profits of traditional vending) as an impressive target for suppliers looking for new growth avenues across a variety of categories. Our study will provide a thorough assessment of the micromart industry, delivering a roadmap for successfully leveraging its untapped growth potential.

- *What criteria is used for identification/classification?*
- *What is the market size of micromarts? How big is the opportunity?*
- *What is the expected growth of micromarts over the next three to five years? What has been the historic growth?*
- *What is the awareness level of micromarts? Which consumers shop there? What are their expectations?*
- *What are attitudes toward certain product categories?*
- *Who are “typical” micromart store customers? Who are the heavy users? Who are the moderate users?*
- *Which products are they buying? Does occasion or daypart have an influence?*
- *Which segments use micromarts? Why were they selected?*
- *What role does national/manufacture vs. private label play? How does this impact micromart selection?*
- *What is the approximate margin structure for each product category?*
- *Who are the leading micromarts? How do they define themselves?*
- *How do micromarts select suppliers? Who makes the decision? How does this differ by product category, if at all?*
- *How do micromarts receive their products?*
- *What role does equipment play? Which equipment is required by suppliers to participate?*

**Kickoff Second Quarter 2018, Delivery Third Quarter**

### Senior Living

The Senior Living segment has been a bright spot in the broader healthcare segment of foodservice thanks to aging Baby Boomers. But this growth trend that brought these facilities an influx in residents is now poised to also benefit hospitals as this generation begins to reach age 70 and beyond. It also raises questions about current foodservice dynamics in these segments, warranting new exploration as viable growth vehicles outside of traditional foodservice channels.

- *Some Baby Boomers are already considered “elderly.” To what degree has this transition materialized?*
- *What are the trends in residency for Senior Living centers? Are numbers up, down or holding steady?*
- *How has the influx of Baby Boomers impacted foodservice budgets?*
- *How have Baby Boomers’ dietary preferences impacted Senior Living foodservice compared to the prior generation who favored more traditional foods?*
- *To what extent are facilities adopting restaurant-style identities?*
- *To what degree are special diet considerations, flexible dining hours, availability of alcohol, sustainable/green practices important? What challenges have these new factors imposed on planning/purchases/equipment?*

**Kickoff Second Quarter 2018, Delivery Third Quarter**





## Study topic & background



## Key questions addressed

## Timing

### Handheld entrée/sandwich

Consumer demand for quick and convenient meals is ever on the rise, with grab-and-go and fresh-prepared handheld entrée options gaining share in nearly every food industry channel and segment. Q1's new study will help identify the critical success factors to capitalize on these handheld growth opportunities. Research objectives include:

- Assess the foodservice handheld entrée category in terms of current size, segmentation, and formats.
- Identify which channels consumers are frequenting to purchase handheld items.
- Analyze how business has changed over the past five years and examine the future outlook for each sub-category.
- Examine the competitive landscape, including an evaluation and share estimation of key competitors active in the overall handheld entrée category.
- Determine operator and consumer attitudes toward and behavior within the category.

- *What are the long-term strategic issues affecting development of the category? Where is the category heading? What is driving growth?*
- *What role does disposable packaging play in the success of a handheld program? What are the consumer and operator issues with handheld disposable packaging?*
- *What are attitudes toward certain product categories?*
- *For which occasions do consumers buy handheld items? Which products are they buying? What criteria do consumers use when selecting a venue to purchase a handheld entrée?*
- *What are the differences by daypart, occasion, meal?*
- *What is the basis for selecting a specific product?*
- *What is the influence of operator merchandising in this venue?*
- *What role does equipment play in preparing handheld items? What type of equipment is used to execute handheld programs? What role does food safety play in equipment selection?*
- *How are hot food items typically served? What percent of items are served hot vs. cold?*
- *How important are combo meals to operators? How has the importance changed over the last few years? What items are typically bundled with handheld items? What challenges do operators have with combo meals?*
- *What are the sources of supply for handheld products?*
- *What is the role of commissaries in the category?*

**Kickoff Third Quarter 2018, Delivery Fourth Quarter**

### Hispanic Foodservice Consumers

U.S. Hispanic consumers are a diverse population with ethnic identities rooted in many countries. Behaviors and attitudes toward food and foodservice differ dramatically by country of origin, acculturation level, geo-market, socioeconomic status, and life stage. These differences are not well understood by foodservice manufacturers and operators. As a consequence, many companies have had limited success in reaching this important market. Q1's new multiclient study will provide an in-depth understanding of Hispanic consumer values, attitudes and behaviors around foodservice, with insights on:

- The latest product and service offerings that meet Hispanic foodservice consumer demands.
- Maintaining a meaningful emotional connection and relationship with the Hispanic foodservice consumer, including advertising and promotions.
- Key similarities and differences between Mexicans, Puerto Ricans and Cubans.

- *What is the current U.S. Hispanic population? What is the future population projection?*
- *How do acculturation levels vary? How quickly does acculturation occur?*
- *What is median household/disposable income?*
- *What is the current Hispanic buying power?*
- *What are the top five Hispanic states? Top 10 markets? The fastest-growing markets?*
- *What are the differences between Hispanic sub-group foodservice preferences?*
- *How does acculturation affect preference?*
- *What is restaurant usage in a typical week? In the last 30-days?*
- *Which segments are visited frequently? Which menu categories are popular?*
- *What makes a Hispanic dish authentic? Is authenticity important?*
- *What kinds of advertising are most effective?*
- *What are the most popular food and beverage trends?*
- *What are operator expectations for manufacturers?*

**Kickoff third Quarter 2018, Delivery Fourth Quarter**

**Please contact Tim Powell at 312-602-9899 ([tpowell@q1consultingllc.com](mailto:tpowell@q1consultingllc.com)) to discuss sponsorship opportunities today.**