



HOW GRAB & GO PREPARED FOODS CAN GROW YOUR BUSINESS

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AGENDA

1. Welcome
2. What does Grab & Go Mean?
3. Why We're Interested In Grab & Go
4. Why is Grab & Go Important
5. Observations, Proprietary Research & Mattson Point of View
6. Expert Discussion
7. Q&A



15 minutes



45 minutes?

Grab & Go: Fresh Food and Ready-to-Drink Beverages

- Made in-unit or in a commissary
- Prepared within last 48 hours
- Self-Serve - It's packaged and ready to grab, settle and go!
- Pre-packaged for transporting to car, local transit, plane, home, office, etc.



Foodservice Evolving to Enable Mobility until COVID-19!

1990s

70% of all QSR business is off-premise



2020's

3rd Party Delivery takes over off-premise execution



1970

1980

1990

2000

2010

2020

1970-80's

Growth of drive-through and take-out



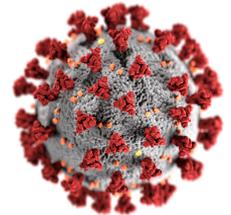
2010s

Grab & Go + 3rd Party Delivery starts



2020+

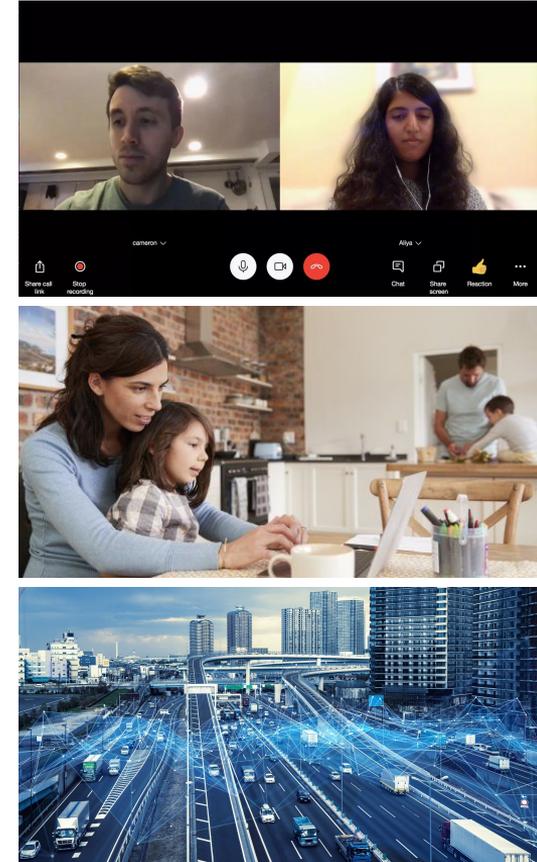
COVID-19 Impacts and resets Industry



MOBILITY: Reshaped our Lives, Now Pivoting to the New Normal

- People had INCREASING mobility over the last 10 years
 - Uber, Lyft
 - Extreme value airfares
- 24 hours a day, 7 days a week work weeks
- People busier than ever
- Operators anticipating needs and wants
- OFF and ON Premise grew together - until COVID-19

COVID-19 = Off-Premise New Normal



ON DEMAND: Consumers Trading Food Quality for Delivery



- Millennials driving 70% of all restaurant delivery retail sales
- Delivery Sales projected to grow at 22% CAGR through 2023, driven by Millennials



- Wrong Temperature Food occurs roughly 28% out of all deliveries*
- 27.5% of deliveries are "unacceptably" late*
- ~21% of Main/Side dishes missing or incorrect*

Over Time, Consumers most likely will expect both Time and Quality

Labor: Opportunity Build Scale Beyond the Restaurant



As Operators Re-Open:

Focus Labor Regionally vs. Unit Level

- Grab & Go to retail units
- Catering/Large Party
- 3rd Party Delivery
- ToGo

Off-Premise will enable Profits

Methodology & Criteria

What?

Online survey
2019/2020
n=551

PRE-Shelter
In Place

Who?

Consumers Who Buy GNG...

- 3x+ in past month
- F&B consumed 1x/week+
- F&B consumed for breakfast, lunch, dinner, morning, afternoon, and evening snacks
- Works full-time, retired, caregiver/homemaker, and students
- Demographics representative of US
- 50/50 Male/Female
- Ages 18-74
- Ethnicity
- Region & State



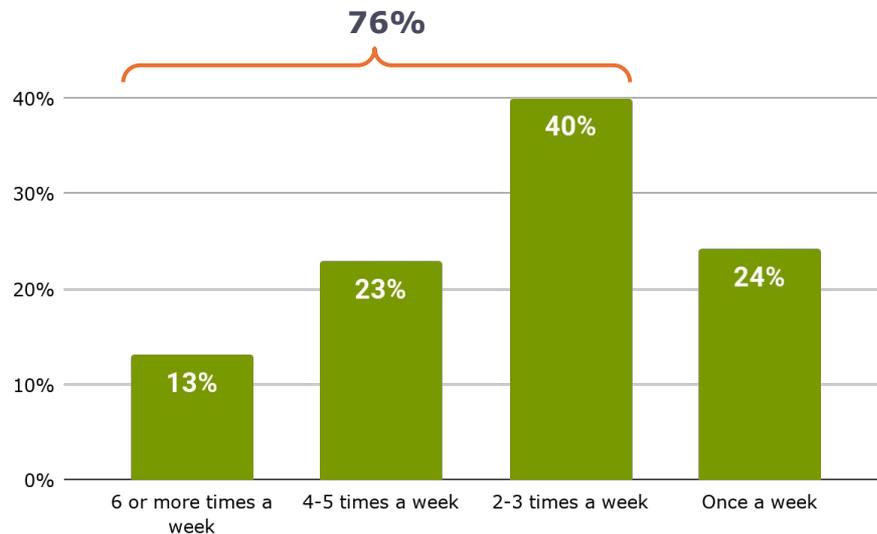
GRAB N GO ALL DAY STUDY

Observation #1

Majority of consumers buy Grab & Go products **2+ times per week**.



How often do you buy Grab & Go prepared, ready-to-eat foods or bottled chilled beverages that are packaged and ready to buy and consume? ($n=551$)



129MM US Households x 76% x \$36/Day = Annual ~\$3B+ per Week!

The Mattson POV

Grab & Go is a safe, customized way to please the guest with business scale.
(\$3B+ weekly)

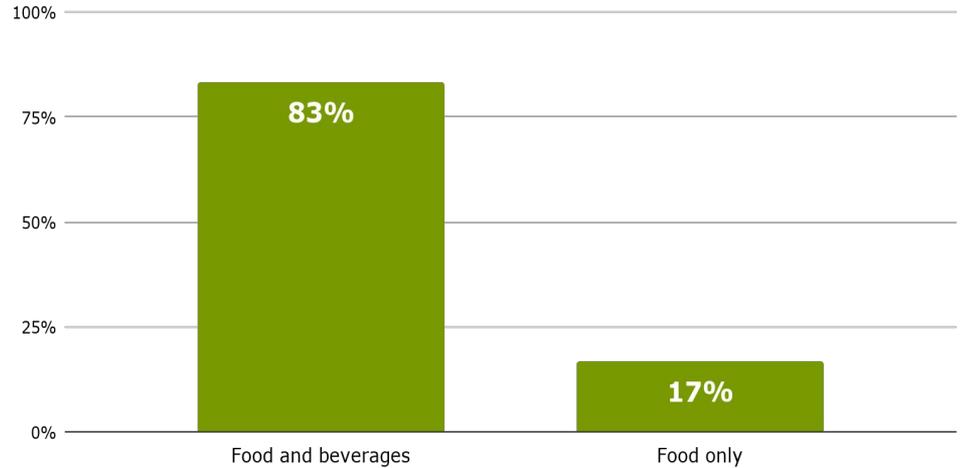
GRAB N GO ALL DAY STUDY

Observation #2

Vast majority of consumers purchase **Food & Beverage together.**



When you purchase Grab & Go items, what do you usually buy?
(n=551)



The Mattson POV

Opportunity to take the successful combo meal concept into Grab & Go.

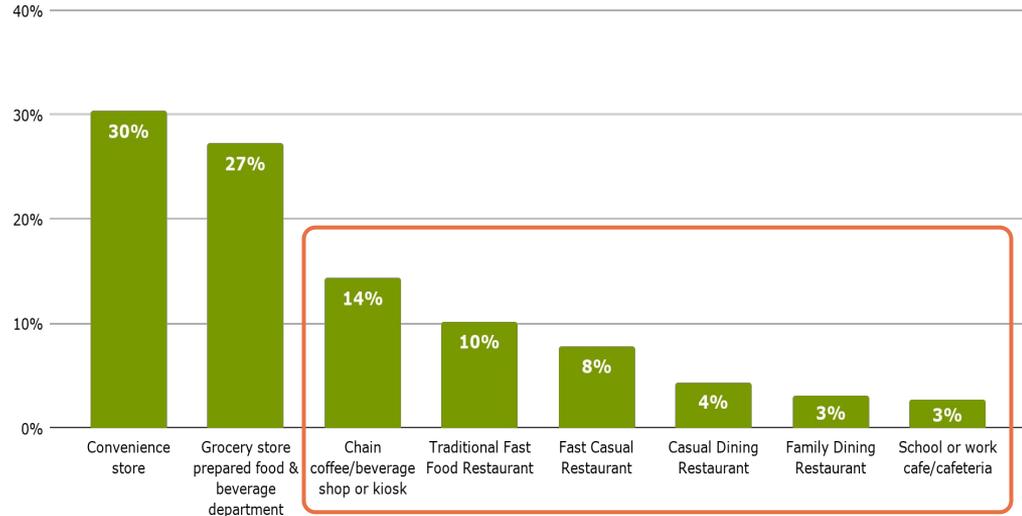
GRAB N GO ALL DAY STUDY

Observation #3

C & Grocery Stores lead! COVID-19 may be at an inflection point in behavior.



Where was the last time you purchased a Grab & Go prepared, ready-to-eat food item? (*n*=551)



The Mattson POV

Opportunity for other operators to drive trips to their location.

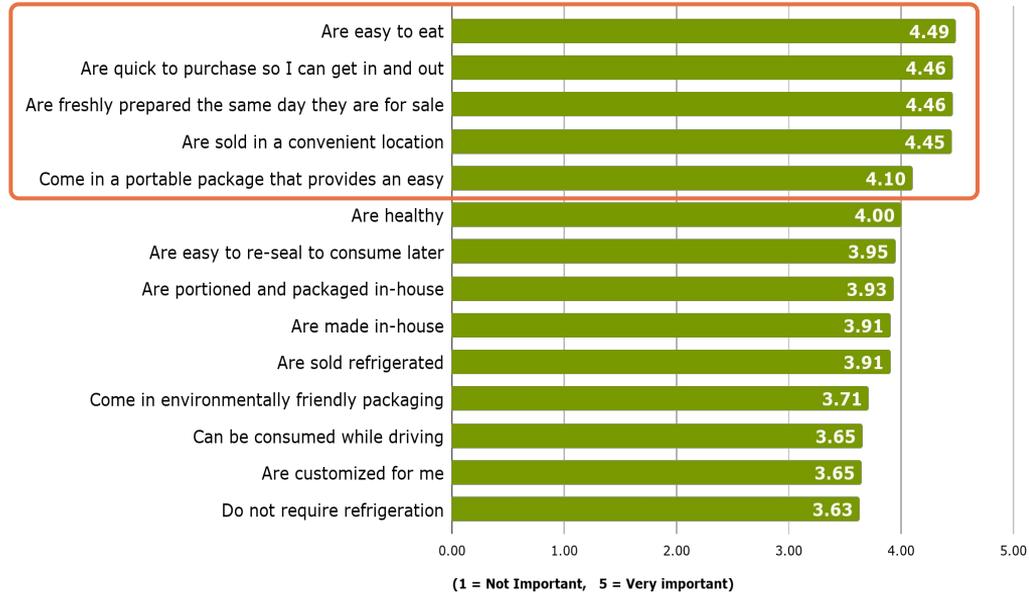
GRAB N GO ALL DAY STUDY

Observation #4

Ease of Eating, Speed, Freshness, Convenience & Portability drive sales.



How important is it to you that the Grab & Go foods that you purchase for breakfast, lunch, or dinner that are... (n=551)



The Mattson POV

Allow guests to customize their own meals, taste variety, and meal size.

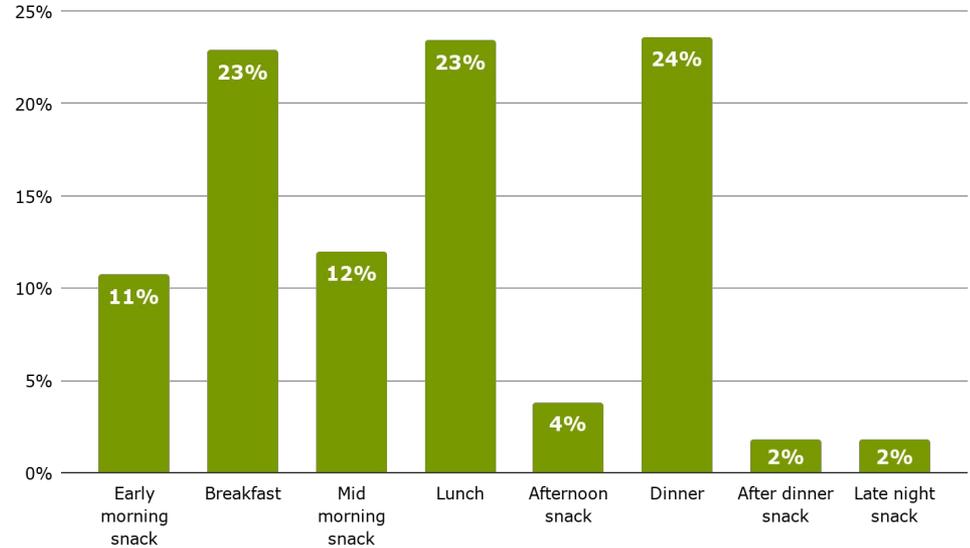
GRAB N GO ALL DAY STUDY

Observation #5

Grab & Go has **opportunities across the dayparts.**



When do you buy Grab & Go foods most often? (*n=551*)



The Mattson POV

Operators can use Grab & Go to build sales across multiple dayparts.

Starbucks Is Best In Class



**Opportunity for
snacking dayparts
Grab & Go
Foods & Beverages**

**No one merchandises
GNG snacks better than SBUX!**

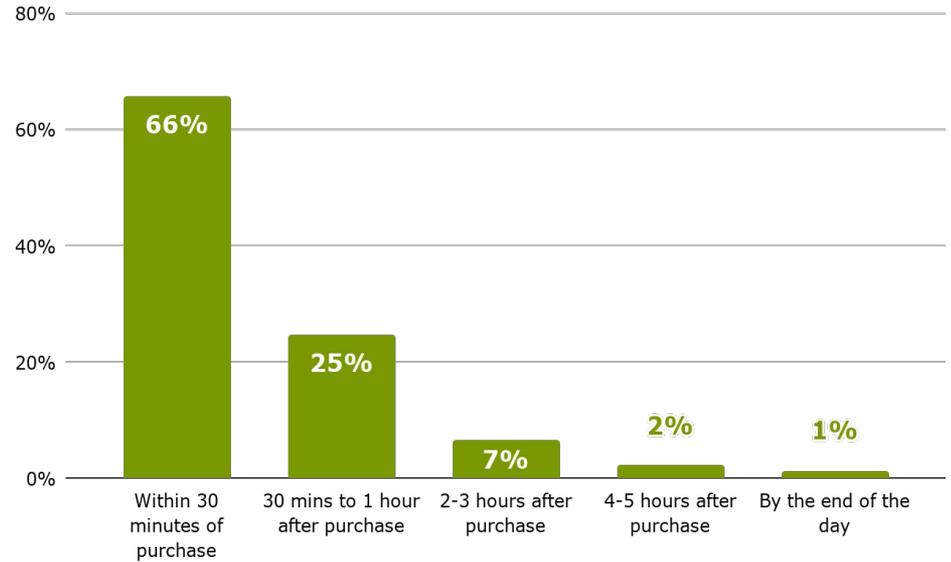
GRAB N GO ALL DAY STUDY

Observation #6

91% consume Grab & Go items within 1 hour.



When do you usually consume Grab & Go foods that you purchase for breakfast, lunch, or dinner? ($n=551$)



The Mattson POV

**Opportunity to sell add-ons:
One for Now, One for the next occasion**

Proven Successful in Casual Dining



Opportunity to sell add-ons:

**“One for Now,
One for Later”**



Olive Garden Test Store with G&G: Orlando, FL

**New "To Go" Area to accommodate
Pick-Up and Retail Add-Ons including
Grab & Go**



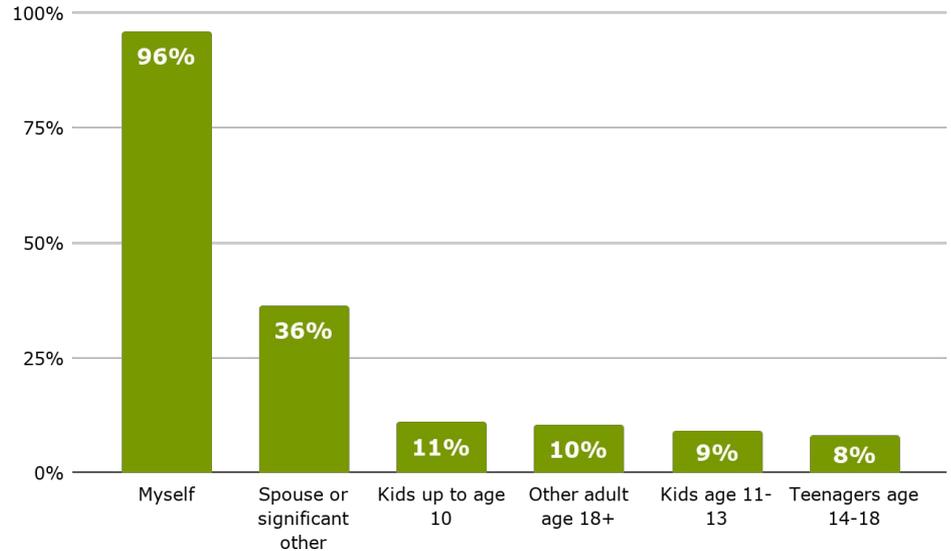
GRAB N GO ALL DAY STUDY

Observation #7

Consumers buy Grab & Go largely **for themselves.**



Who are the items for when you purchase Grab & Go foods/beverages for breakfast, lunch, or dinner? (select all that apply) (*n*=551)



The Mattson POV

Menu strategy should focus on individual needs, wants & crave.

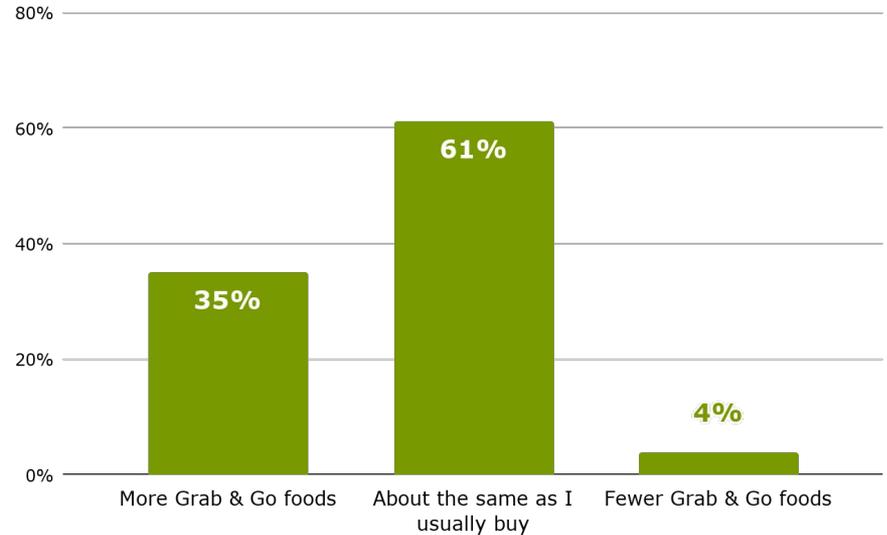
GRAB N GO ALL DAY STUDY

Observation #8

96% of consumers say they will buy the **same or more** Grab & Go items in **the future**



Thinking about the next 12 months, do you think you will buy more, less, or the same number of Grab & Go foods for breakfast, lunch, or dinner? (*n*=551)



The Mattson POV

Operators need to be ready to capitalize on this opportunity.

Grab & Go Innovation Doesn't have to be Ready To Eat

MEAL KITS



LONGHORN® STEAK & SHOP
From our house to your grill – fresh cuts and seasonings for you to prepare.

STEAKS TO GRILL	SIDES TO HEAT
• 6 OZ. REINTEGRATED SIRLOIN - \$8	• WASHED POTATOES - \$1
• 8 OZ. REINTEGRATED SIRLOIN - \$8	• FRESH BROCCOLI - \$1
• 12 OZ. RIBEYE - \$14	• SEASONED RICE PILAF - \$1
• 6 OZ. FILET MIGNON - \$12	
• 8 OZ. FILET MIGNON - \$14	
• 10 OZ. FILET MIGNON - \$18	
• 18 OZ. BONE-IN OUTLAW RIBEYE® - \$36	
• 12 OZ. NY STRIP - \$14	

EVERY ORDER COMES WITH HONEY-WHEAT BREAD AND BUTTER.

While supplies last. Call your local LongHorn to check for availability.



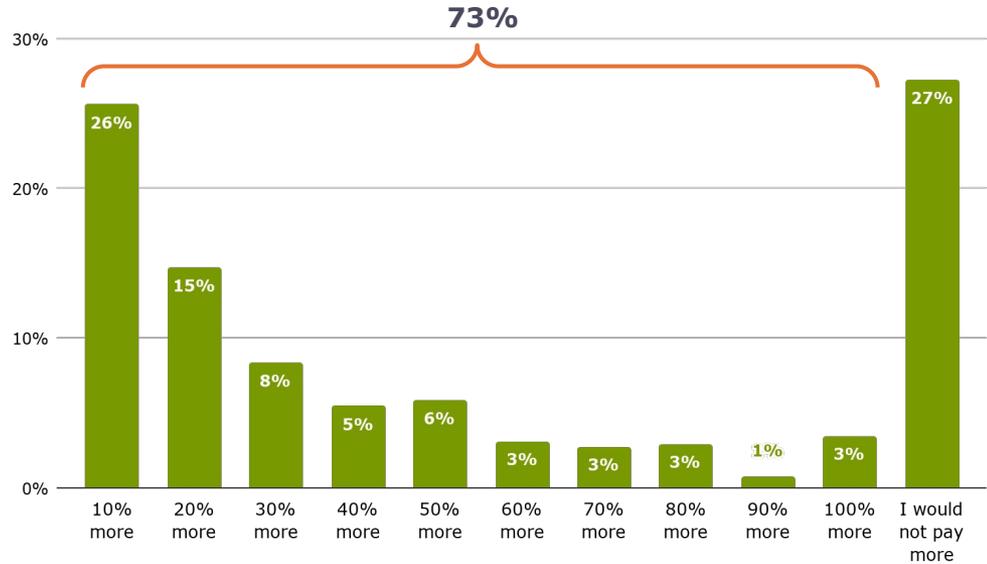
GRAB N GO ALL DAY STUDY

Observation #9

73% of consumers are **willing to pay more for Uniquely Designed Grab & Go Products.**



Thinking about the foods you buy for breakfast, lunch, or dinner, how much more are you willing to pay for these Grab & Go foods if they were uniquely packaged for optimal on-the-go consumption? ($n=551$)



The Mattson POV

Specifically designed and packaged Grab & Go products provide pricing and profit opportunity.

PRODUCT FORMAT





HOW GRAB & GO PREPARED FOODS CAN GROW YOUR BUSINESS

Expert Discussion



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We Can Help!

GUEST INSIGHTS



MENU STRATEGY



**RAPID
PROTOTYPING**



**PRODUCT
DEVELOPMENT**



**OPERATIONS
PROCESS DESIGN**

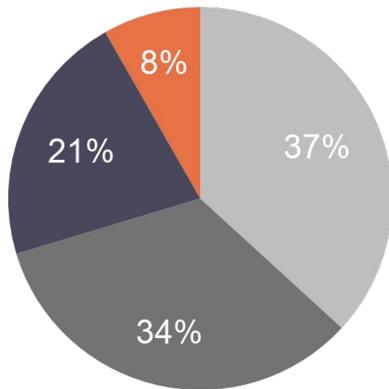


Appendix

All-Day Grab & Go Dietary Self-Identification by Generational Group

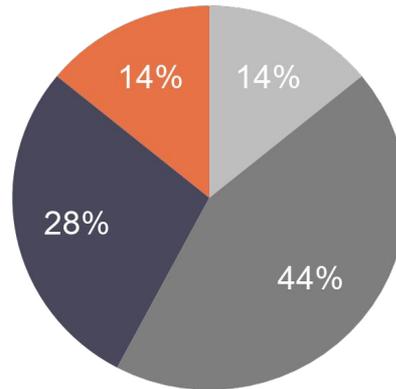
**Gen X,
Millennials
and Gen Z lead
plant based
eating**

Omnivores



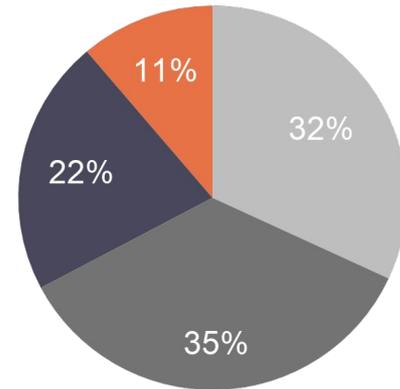
66%

Vegetarians/Vegans



5%

Flexitarians



29%

- Gen Z (18-25)
- Millennials (26-35)
- Gen X (36-55)
- Baby Boomers (56-74)

Q: Which best describes the way you eat?

Top Items Purchased ALONG with Grab & Go Breakfast, Lunch, or Dinner

Drive Sales & Profits with Smart Add-On Assortment

Snacks	Non-Food	Beverages	Grocery
Candy	Gas	Tea	Staples (Bread/Milk/Eggs/ Produce/Meat)
Chips	Cigarettes	Soda	Sandwich or meal later items
Cookies	Gum/Mints	Juice	Mac & Cheese
Crackers	Lotto Tickets	Water	Dessert
Donuts	HH Supplies	Wine/Beer	
Nuts/Trail Mix	Paper Products	Milkshakes	
Bakery Items	Stationary	Energy Drinks	
Fruit	Skin Care Products	Coffee/Coffee Drinks	
Fries/Onion Rings		Speciality Drinks	
Ice Cream			
Pizza/Burgers			

Q: List other items that you buy when you purchase Grab & Go foods for breakfast, lunch, or dinner?