

The State of

Insights from consumers on possible paths forward for restaurants and stores in the wake of COVID-19. This study uncovers a surge in consumer demand for drive-thru, curbside, and contactless pick up.



Drive-Thru
Pick Up
What Feeds Us
Mobile Ordering
Safety
Fast Casual

C NTENTS



- I. **Summary**
- II. **General Observations**
- III. **Fast Food & Drive-Thru**
- IV. **Fast Casual**
- V. **Curbside & Pick Up**
- VI. **Safety**
- VII. **Generational Differences**
- VIII. **Glossary & Methodology**
- IX. **About Bluedot**

1.

Amid COVID-19, consumers have a strong appetite for app downloads. **More than half of respondents have reported downloading at least 1 food related app.** Established mobile apps users are downloading even more, with **45%** adding two or more apps.

2.

More consumers are relying on fast food during the national health crisis. Three out of four consumers (**75%**) plan to visit the drive-thru amid the pandemic.

3.

Key findings revealed **nearly half of American consumers** are willing to leave home to purchase restaurant meals, but they want a low or zero-contact way to receive their orders. They'd much rather stay in their cars than walk inside.

4.

Adding a **drive-thru or pick-up option can fuel or protect sales** as all age brackets demonstrate a strong desire to try a new restaurant or store if they know there's a safe drive-thru or pick-up option.

5.

Gen Z and Millennials lead the pack when it comes to fast food and delivery apps. They are **2X** more likely to download a delivery app and **3.5X** have ordered from fast food apps when compared to Baby Boomers.

6.

Reducing human contact is key to earning consumer confidence and trust. Study reveals that **53%** are downloading more apps to reduce interaction / contact with on-site staff.

Amid COVID-19, Americans are turning to apps. A vast majority 77% are ordering food, groceries, and other items via apps.

51%

have downloaded at least one new app to purchase food and essentials (fast food and big box store apps the most downloaded).



42%

of respondents are ordering food, groceries, and other items via apps more often or much more often.



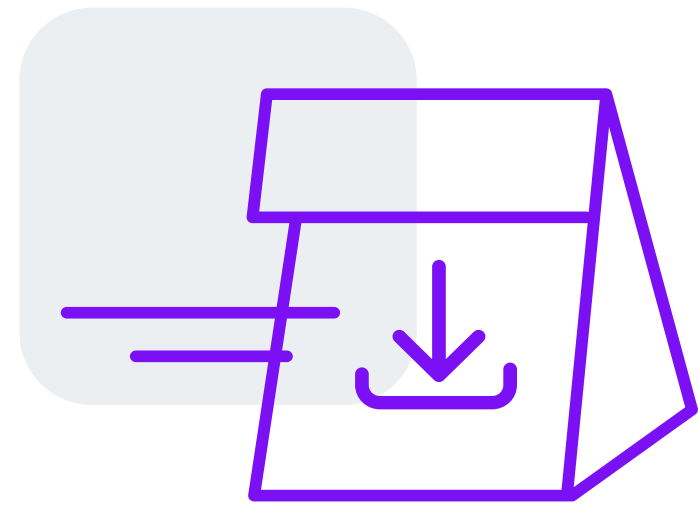
Consumers want to stay in their car for food and essentials — ranking this a #1 consideration for curbside pickups and takeout.

35%

of users are ordering via app the same amount.

II. GENERAL OBSERVATIONS

The most downloaded apps amid COVID-19 are big box retail apps followed by fast food and grocery apps.



45%

of mobile app users have downloaded two or more new apps amid COVID-19.

Health and safety are top of mind.

80%

of respondents experience fear or anxiety walking into a store or restaurant during COVID-19.



Respondents show strong surge and continued interest in fast food and fast casual restaurant.



88%

A whopping **88%** of respondents believe that a drive-thru with 4 cars or more is considered a long line.



3 OUT OF 4

will visit the drive-thru during the pandemic, with **46%** planning to go as much as or more than normal.

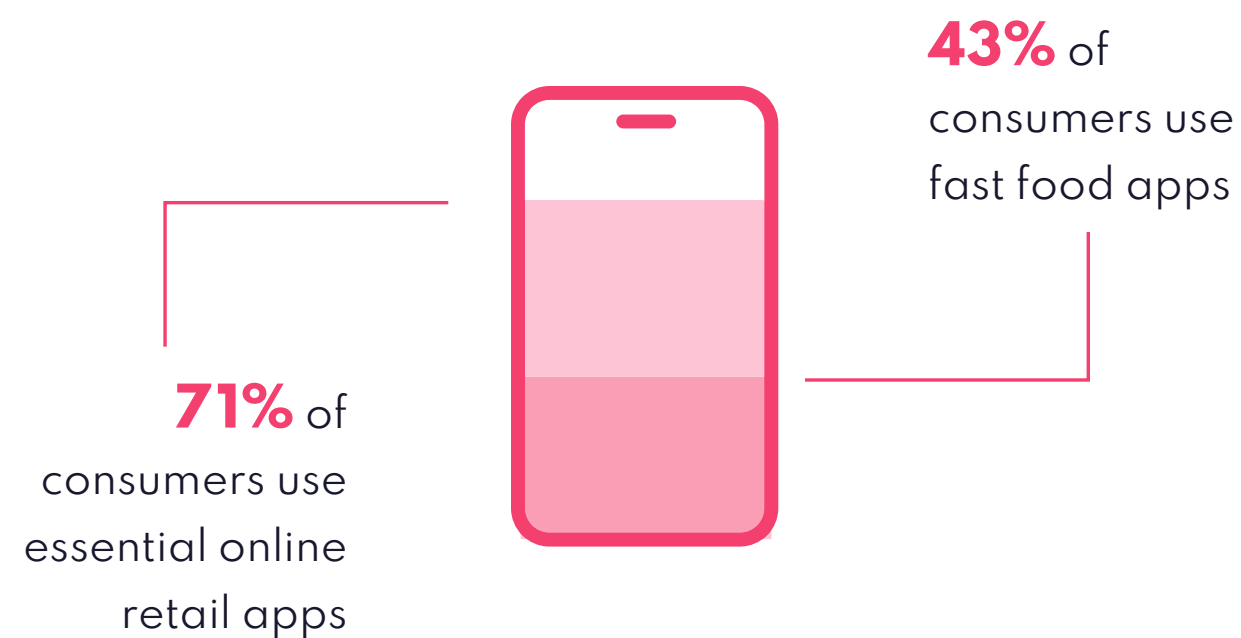
30%

Nearly a third of respondents said they have visited the drive-thru more often or much more often in the last month.

2

Nearly **a quarter** of Gen Z **trust drive-thru the most** amid health and safety concerns with COVID-19.

After essential online retail apps, consumers most often use fast food apps.



NEARLY **40%**

of respondents said **less contact/zero contact is most important to make drive-thru feel safer**, followed by a strong cohort of respondents who said posting sanitation and safety info is most important.

NEARLY **20%**

of Gen Z plan on visiting drive-thrus more often due to COVID-19 with another **35%** planning to visit as usual



Fast Casual appealing more to Gen Z and Millennials than older generations.

NEARLY **50%**

of Gen Z are willing to try out a new restaurant if curbside is an option.

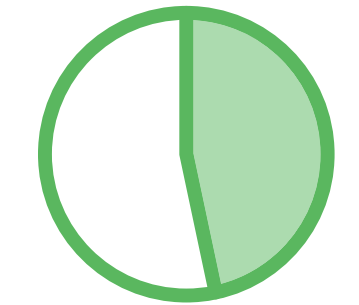
20%

of mobile app users are downloading more fast casual apps compared to other types of apps.

Gen Z and Millennials ordered almost **5X** and **4X** respectively from fast casual apps in the last six months compared to Baby Boomers (**7%**).



When asked what apps they've ordered from in the last 6 months:



43% stated fast food



26% stated fast casual



20% stated sit down restaurants

Curbside and pick up are ripe for restaurants as new on-premise approaches.

31%

of Americans say they have used curbside pick up more often or much more often in **the last month**, with another **13%** saying they've used curbside the same amount.

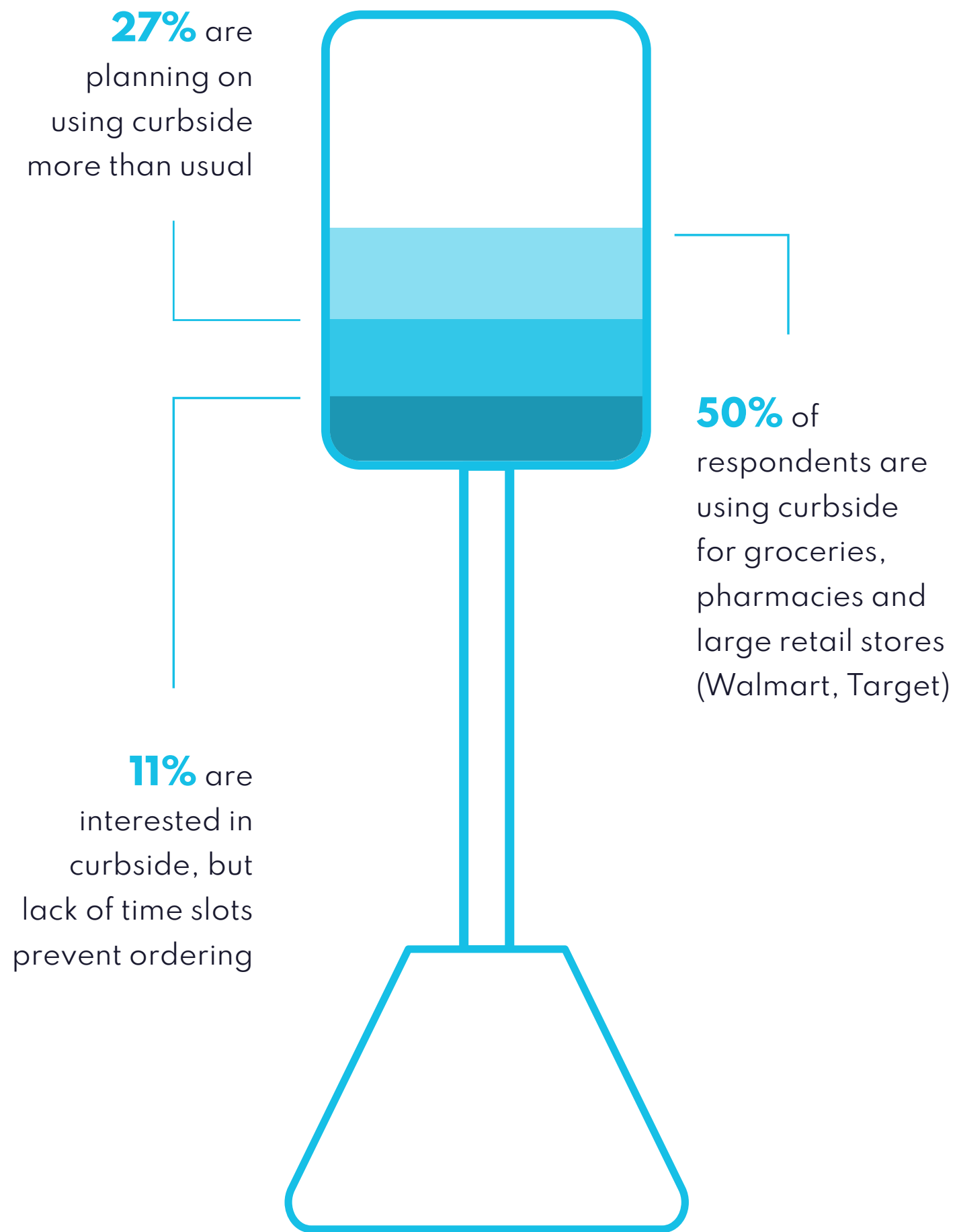


While curbside and pick up are popular choices, respondents report lack of time slots for **groceries, pharmacies and large retail stores.**

67%

of Millennials have utilized or want to utilize curbside pick-up.

How respondents are currently using curbside:

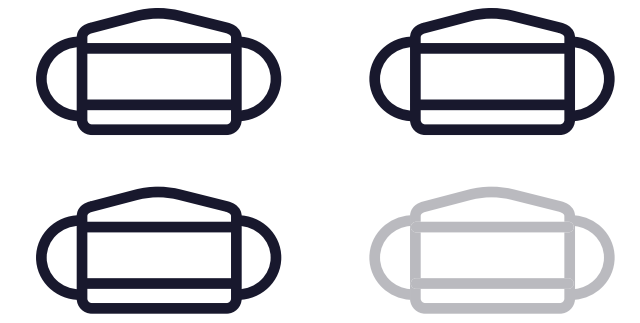


Respondents want to stay in their cars, followed by limiting staff contact as most important safety measures. Attracting Gen Z and Millennials proves to be key for fast food, delivery, and grocery apps.



53%

of consumers are downloading and using more apps to reduce interaction / contact with on-site staff.



3 out of 4 consumers are more concerned or very concerned about grocers, restaurants, and stores taking the appropriate precautions amid COVID-19, with more Baby Boomers being concerned than other generations.

40%+

of Millennials cite saving time once at the restaurant or store as a key motivator for using mobile apps.

When it comes to in-store pick up and carryout, there are no clear winners on what is perceived as safest.

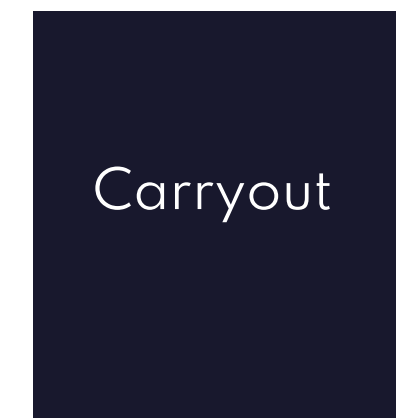
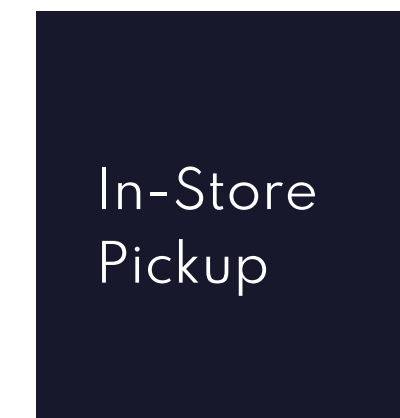
No lines, seeing staff wipe down equipment, staff wearing protective gear, and minimal contact are all relatively important to respondents.

LEVEL OF TRUST AMONG BOOMERS

3x



Amid health and safety concerns with COVID-19, **Baby Boomers trust in-store shopping the most**, yet worry about staff taking precautions.



COLLECTION METHOD

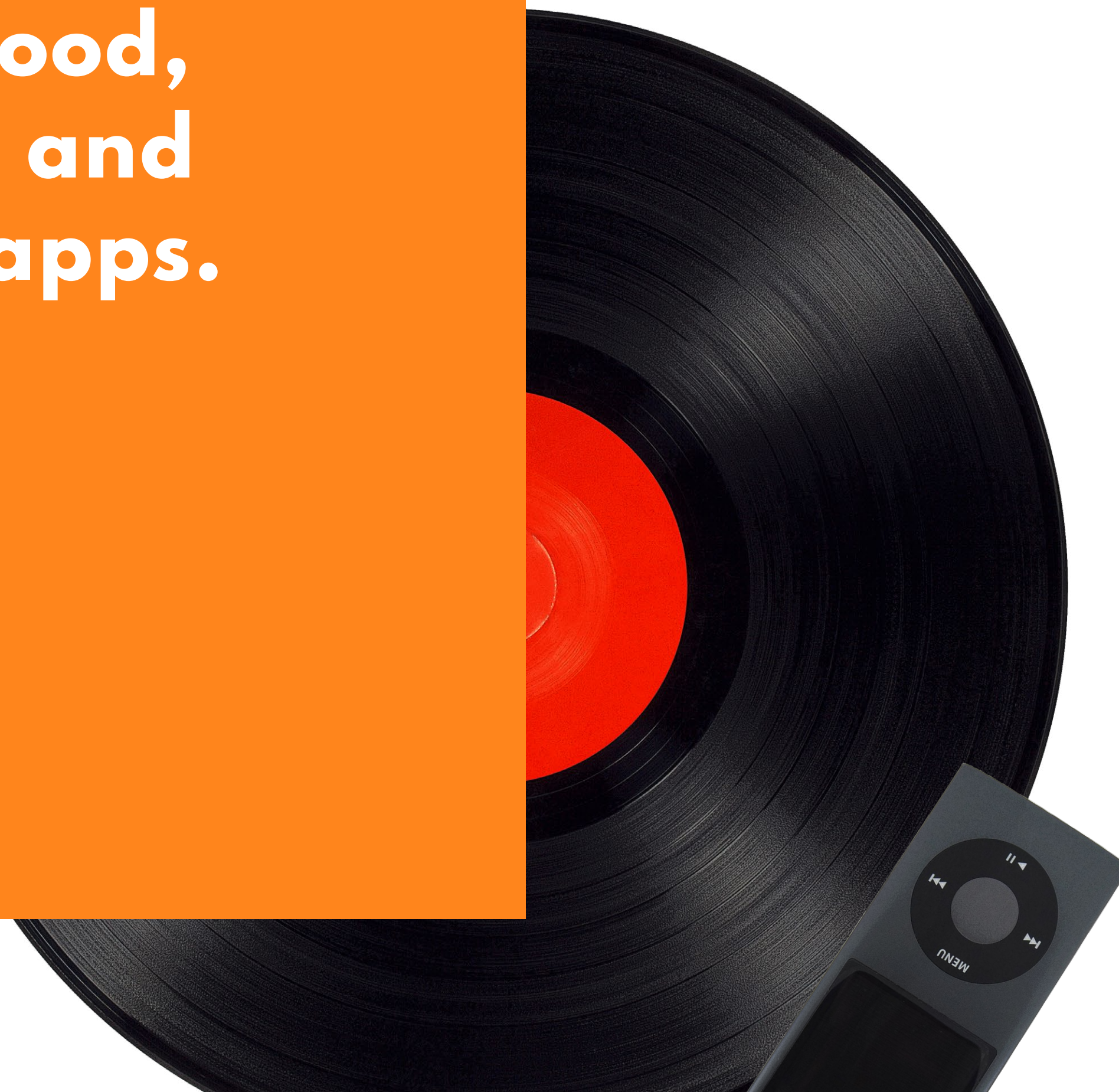
80%

of Baby Boomers are more concerned or very concerned about staff taking appropriate precautions in store.

Attracting Gen Z and Millennials proves to be key for fast food, delivery, and grocery apps.

OVER **60%**

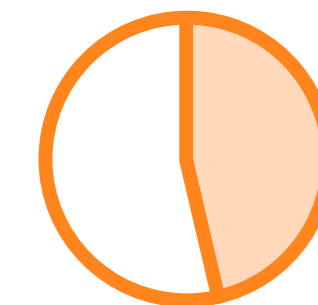
of Millennials and Gen Z are downloading and using more apps because of ease of ordering.



In the last 6 months:

3.5x

Millennials ordered from delivery apps compared to Baby Boomers.



46% of Millennials

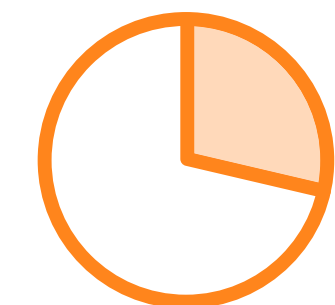


13% of Baby Boomers

Amid COVID-19:

3x

Millennials downloaded food delivery apps compared to Baby Boomers.

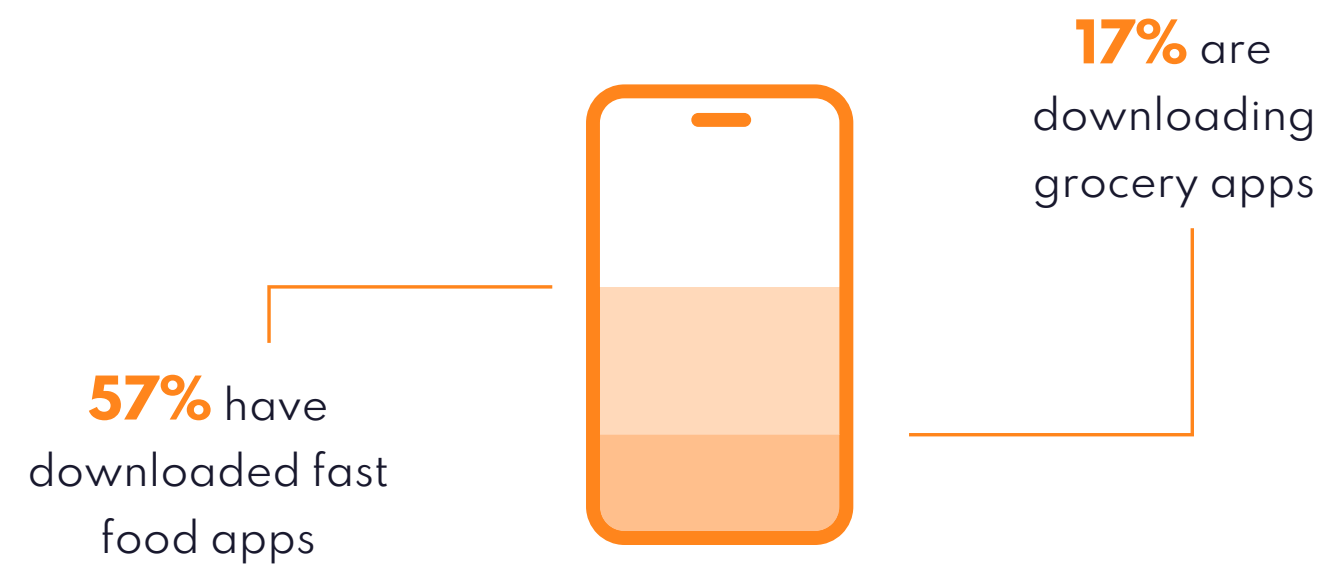


27% of Millennials



9% of Baby Boomers

Amid COVID-19, Gen Z have downloaded **3x** more fast food apps than grocery apps.



36%

of Millennials have picked up in store (including carryout) more often than usual in the last month.



51%

of Gen Z and **(42%)** of Millennials are over **2X** more likely to order fast food than Baby Boomers.

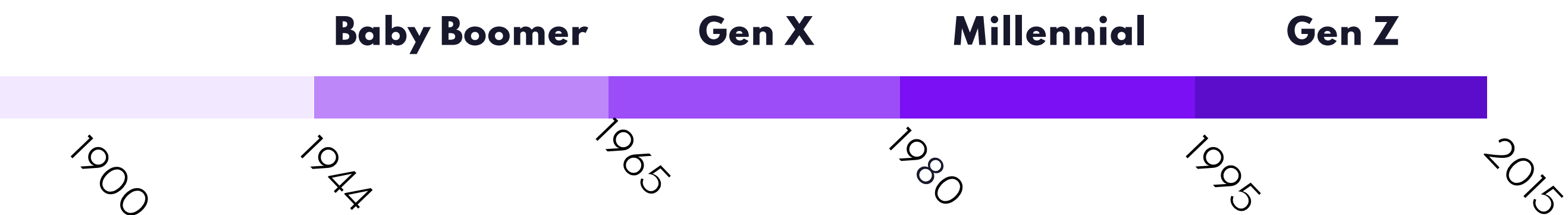
40%











of Gen Z demonstrates strong affinity to menu preference as their #1 concern when picking fast food drive-thrus.

Methodology

The survey was conducted in April 2020 among a national sample of 1,630 American adults aged 18 and older.

In addition to looking at the overall sentiment, the survey was categorized by mobile app users (1,366) and by generations: Baby Boomers (27%), Gen X (29%), Millennials (27%), Gen Z (17%).



-  **Fast food restaurants:** Ex. McDonald's, Burger King, etc.
-  **Fast casual restaurants:** Ex. Chipotle, Moe's, etc.
-  **Drugstore or pharmacy:** Ex. Walgreens, CVS, Rite Aid, etc.
-  **Grocery stores:** Ex. Kroger, Safeway, Publix, etc.
-  **Food delivery:** Ex. Instacart, DoorDash, GrubHub, Uber Eats, Caviar, Postmates, etc.
-  **Retail big box stores:** Ex. Walmart, Target, Costco, etc.
-  **Online retail / shopping:** Ex. Amazon, eBay, Google Shopping, Macy's, Dillards, JCPenney, etc.
-  **Curbside:** picking up an order in the parking lot
-  **Pick-Up, Carry-Out and Take Out:** picking up an order inside the store
-  **Delivery:** receiving an order delivered to a consumer's front door

About Bluedot

Bluedot's location technology for mobile apps powers meaningful interactions between brands and their customers across key industries including retail, quick service restaurants, and transportation. With pinpoint accuracy, Bluedot's easy-to-implement location technology can identify when a mobile app user arrives at a business, places mobile orders at drive-thrus, arrives at a curbside or pick-up spot, or passes a toll location. Inherently compliant with GDPR, CCPA, and other emerging legislation, Bluedot focuses on protecting end-user privacy and never shares or sells personal information.

Top global QSR brands trust Bluedot for their location-based needs. For information on Bluedot and its solutions, visit bluedot.io.

