



Foodservice Operator Survey

News & Information Consumption





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Foodservice Operator Survey : News & Information Consumption

On April 16th 2009, **Food Service Interactive** conducted a survey through Foodservice.com[®], with over 800 foodservice operators participating.

Seven questions were asked in an effort to learn more about foodservice operators, and how they access news and information on a regular basis.

Our goal for this survey centered around two objectives:

1. Gain a better understanding about how foodservice operators access news and information through the **internet and traditional media**.
2. Use this data to determine how unique the operator audience is at Foodservice.com.

We have known for years that operators were using the Internet in increasing numbers. Our Google Analytics reporting proves this month after month. But our curiosities extended beyond Foodservice.com. We had a lot of questions as we sought to understand usage patterns for alternative industry websites and traditional print publications.

Which industry websites to operators visit more frequently?

Do operator members at Foodservice.com also subscribe to trade magazines?

How many print subscribers and non-subscribers visit trade magazine websites?

How much overlap exists between Foodservice.com and the trade magazine properties?

We hope you find the information as enlightening as we did. We didn't know what to expect going in, but the results were surprising in many ways.

Survey Points of Interest

- When asked "Which medium do you use most often to stay up-to-date on news and events in foodservice", only 11% of operators chose trade magazine websites.

- When asked “Which industry websites do you access on a regular basis?” 66% of operators selected Foodservice.com.
- When asked “How often do you actually have time to sit down and read trade magazines?” 73% of operators answered “Never” and “Sometimes”.
- When asked “What best describes your foodservice news and information reading habits?”, only 23% of operators answered “I do not subscribe to trade magazines, but do visit their websites regularly”.

A *Diversified* Marketing Mix

Studies show that a marketing mix consisting of both traditional and online advertising performs better than print alone (See IAB Studies on Page 13 and 14). However – a ***diversified*** marketing mix is paramount.

Companies increase the strength and resonance of their marketing message by avoiding duplication – running the same ads within the print and online edition of the same publication, essentially reaching the same operators. According to a common industry rule of thumb, most brand objectives reach diminishing returns between 4 and 10 exposures.

We feel that the survey results illustrate that Foodservice.com attracts a unique group of foodservice operators. As a true online community of operators and aggregator of news and information, we offer **something different**. Best of all, we offer the ability to reach operators who are not visiting the web properties for traditional trade publications.

We’d Love to Hear from You!

If you have any questions about this survey, feel free to call me directly at 602-381-FOOD, or send an email to david@foodservice.com.

We are also planning a follow up survey in about three months to learn about the types of marketing operators prefer with foodservice manufacturers. If you have questions that you’d like to add to this survey, please forward them to me.

Best Regards,

David Smania
VP, Marketing and Community Development
Food Service Interactive LLC


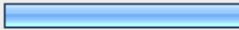



Local and *National* Online Communities for Foodservice Operators

Foodservice.com | LocalFoodService.com

Survey Methodology

- ❖ Foodservice.com has collected registration data on over 160,000 operators since 1996. Operators taking the survey were part of an “opt in” list that is part of the site registration.
- ❖ Participants originated from a wide variety of industry segments (casual dining, fine dining, school foodservice, B & I, healthcare, etc). No preference was given to any operator segment.
- ❖ Survey participants opted in to participate in surveys over the last 10 years. No preference was made to a date or time on last log-in.
- ❖ The information collected was captured and recorded by a third party, and is now being made available in this report.

1. Which medium do you use more often to stay up-to-date on news and events in foodservice?

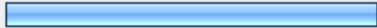
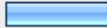





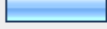
		Response Percent	Response Count
Trade magazines		31.2%	249
Online Communities (like Foodservice.com)		41.6%	332
Trade magazine Websites		10.2%	81
Google, Yahoo, or other news aggregators.		12.2%	97
None of the above.		4.9%	39
		answered question	798
		skipped question	4

Commentary

Many of our members also subscribe to traditional trade publications (see question 3 below). The data suggests that while operators subscribe to printed magazines, they visit online communities like Foodservice.com more often to stay informed.

Only 10% of the operators at Foodservice.com visit trade magazine websites. This data illustrates that the online audience of foodservice operators at Foodservice.com is truly unique.

2. Which industry websites do you access on a regular basis?

		Response Percent	Response Count
Foodservice.com		66.1%	526
NRN.com		18.1%	144
MonkeyDish.com		5.5%	44
RIMag.com		10.4%	83
FSDmag.com		10.4%	83
QSRMagazine.com		12.7%	101
None		18.0%	143
Other		17.6%	140
		answered question	796
		skipped question	6

Commentary

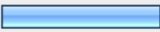
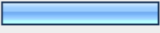

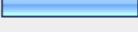
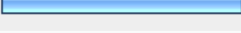

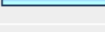
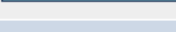
This question focuses on web usage by foodservice operators. We know that the survey participants have registered at Foodservice.com at some point within the last 10 years, but where else do they go?

Out of 802 operators surveyed, 66% cited Foodservice.com as the industry website they access more on a regular basis.

While operators have plenty of choices, Foodservice.com remains favorite.

Note: Operators who selected "Other" had the opportunity to manually enter their favorite websites in this survey. The results are included at the end of this report.

3. Which of the following trade magazines do you have an active subscription to?

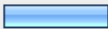
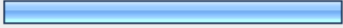


		Response Percent	Response Count
Nations Restaurant News		26.3%	204
Restaurant Business		25.9%	201
QSR Magazine		9.5%	74
Foodservice Director		22.6%	175
Restaurants and Institutions		40.1%	311
Chain Leader		7.2%	56
Chef Magazine		17.5%	136
None. I don't read the magazines.		29.3%	227
		answered question	776
		skipped question	26

Commentary

The results of this particular question were enlightening for a couple of reasons. First of all, we didn't expect *Restaurants and Institutions* magazine to lead the pack. After a more detailed review, the result makes sense as their audience is similar to Foodservice.com – spanning different segments from restaurants to non-commercial foodservice.

The most notable statistic of all is listed last. **Nearly 30% of all operators surveyed said they do not read the trade magazines.**

4. How often do you actually have time to sit down and read trade magazines?



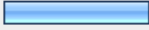

		Response Percent	Response Count
Never		17.2%	135
Sometimes		56.3%	443
Often		20.8%	164
All the time		5.7%	45
		answered question	787
		skipped question	15

Commentary

When operators were questioned about how often they actually had time to sit down and read the trade magazines, 74% answered “Never” or “Sometimes”.

We believe that using this data, in combination with the results on question 2, clearly illustrates unique nature of Foodservice.com and its ability to attract foodservice operators who devote little or no reading time with print publications.

6. What best describes your foodservice trade magazine news and information reading habits?

		Response Percent	Response Count
I subscribe to trade magazines AND visit their websites regularly.		29.1%	230
I subscribe to trade magazines but do not visit their websites regularly.		32.4%	256
I do not subscribe to trade magazines, but I do visit their websites regularly.		23.9%	189
I do not subscribe to trade magazines, and I do not visit their websites.		14.6%	115
		answered question	790
		skipped question	12

Commentary and Analysis

This was an attempt to gauge operator overlap between trade publications (print and web) and Foodservice.com.

It was interesting to note that nearly nearly 50% of operators surveyed do not visit trade publication websites.

The figures above illustrate how online communities like Foodservice.com continue to attract a distinct operator audience.

7. Out of the following sources for PRODUCT information, please rank the services you use most often.

	Use Often	Sometimes	Use Rarely	Never	Rating Average	Response Count
Online Communities (like Foodservice.com)	40.3% (309)	38.3% (293)	13.1% (100)	8.4% (64)	1.89	766
Trade Magazines	24.3% (183)	40.8% (307)	22.9% (172)	12.0% (90)	2.22	752
Trade Magazine Websites	14.7% (107)	38.1% (278)	30.3% (221)	16.9% (123)	2.49	729
Distributor Sales Reps	31.4% (236)	30.1% (226)	22.5% (169)	16.0% (120)	2.23	751
Manufacturer Websites	19.5% (142)	41.0% (299)	25.1% (183)	14.4% (105)	2.34	729
Food Broker	14.3% (102)	30.3% (216)	29.3% (209)	26.1% (186)	2.67	713
Food Shows	24.7% (186)	42.4% (319)	23.0% (173)	9.8% (74)	2.18	752
Direct Mail	7.6% (53)	25.3% (177)	37.2% (260)	29.9% (209)	2.89	699
	answered question					797
	skipped question					5

Commentary and Analysis

The topic in this question was switched from “News and Information” to “Products”.

Online communities like Foodservice.com and Distributor Sales Reps (DSRs) rank strong with operators surveyed (40% and 31% respectively).

Only 15% of operators surveyed cited trade magazine websites as something they use often for product information.

We believe that the results again illustrate the need for a marketing mix that is balanced and diversified.

Other Sites Mentioned in Question 2 (Listed Verbatim)

Pizza Quarterly	DMA.ORG	Culinary Institute of America
restaurantowner.com	fsis/usda	plate.com
ProChef - CIA	chow	restaurant magazine
new york times	starchefs.com	pizza today
usda websites	CIA	Prochef smart briefs
restaurantowner.com	National Restaurant	prochef.com
b4ueat	Association	Smart breif
national restaurant assn.	QSR Magazine	Avendra
plateonline.com	prochef.com	DIETARYMANAGER.ORG
epicurious.com	interior design	news papers from across the
chef2chef.net	restaurantnews	country food sections
Food Network	epicurious.com	acfchefs.org
www.beeradvocate.com	fohboh	SNA website
ezeinearticles.com	American Culinary Federation	epicurious.com
four seasons produce	www.foodindustry.com	NA
restaurants and institutions	PizzaMarketPlace.com	foodnetwork.com
epicurious.com	recipezaar.com	localfoodservice.com
www.showmerestaurants.com	Nations Restaurant Review	dietary manager
gigachef	Epicurious.com	foodnetwork
baking buyer	www.cheftalk.com	caterer.com
chef talk global chefs	All.edu	CIA site
urner barry website poultry report	Smartbrief by NRA	specialty food news
starchefs.com	Cheftalk	sysco
food.com	CONVENCE STORE	NRA Smart Brief
cia	DECISION MAGAZINE &	pizzatoday
cheftalkcafe.com	WEB	careerbuilder.com
FDA.org	ACF	SNA.org
restaurantowner.com	SNA	chain leader
Catersource.com	catersource.com	www.foodnetwork.com
Food network	cnn	PMQ.COM
gourmet retailer	none other	restaurantowner.com
cfal.com	starchefs.com	chow.com
R&I chain leader	DMAonline.org	www.BeckyDorner.com
DMA(Dietary Managers Association)	BNP News	NRA
plateonline	FOH.com	CIA SmartBrief
foodservice weekly	chef2chef	Meatingplace.com
National Restaurant Association	dietary manager	chadzilla.typepad.com/
Nestle professional	beef mag	Food managment
restaurantowner.com	CATERER	specialtyfoods.com
foodanswersonline.com	other restaurants and my food	DMA online
SmartBrief.com	supplier	RunningRestaurants.com
DishRag	Restaurant Association	nestle professional
crfa.com	hotels magazine	www.msn.com
chain leader	culinary institute of america	restaurantowner.com
allrecipes.com	daily "pro chef"	wine enthusiast
www.morerestaurants.org	baking management	http://www.meniu.lt
cookinglight.com	plateonline.com	allrecipes.com
modern baking	U.S. Army Food Service	nra.com
Grub street	Program	Georgia School Nutrition
acf	restaurantowner.com	Association
servsafe.com	Sfgate.com	fda.com
IHG	restaurant.org	foodtv.com
progressive grocer	http://www.flra.com/	Pro Chef SmartBrief

ontherail.com
Specialty Food News
foodservicemanagment
tastingtablenyc.com
foodsrevicerewards
National Restaurant assoc
usfoodsafety.com
fsa.com
Allrecipies.com
Foh Boh
CSIFoodpro
MeatPoultry.com
egullet
Culinary Institute of America
ACES
gigachef.com
Wall Street Journal.com
saveur.com
myrtlebeachrestaurantnews.com
Griffen E news
aramark.net
recipezaar
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qsrmagazine
progressive grocer
nra.com
myflorida.com
Meat & Poultry
restaurants and institutions
candyindustry.com
chef2chef
FOOD MANAGEMENT
MAGAZINE & WEB
IDFA Smart brief
License To Grill
starchefs.com
HVS Global Hospitality
ahlma smartbrief
nutrition + culinary consult.
<http://www.reginospalepe.com>

Cross Media Optimization Study : Example 1

	<p>Marketing Evolution Advertising Research Foundation Dynamic Logic Forrester</p>	<p>McDonald's®: Reaching the Unreachable.</p> <p>In the case of the McDonald's® Grilled Chicken Flatbread Sandwich, research proved that adding online advertising to the media mix increases awareness and image perception within a hard-to-reach target audience.</p>
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XMOS Case Study McDonald's® Grilled Chicken Flatbread Sandwich

The Cross Media Optimization Study (XMOS)

The XMOS study answers the question "What is the optimal media mix to achieve marketing goals?" Marketers and advertising agencies can now begin to understand which advertising vehicles, at what frequency, optimally support campaign objectives. Using a research methodology endorsed by the Advertising Research Foundation and recognized by ESOMAR (European Society for Opinion and Marketing Research), the XMOS study measures online advertising alongside offline advertising to determine the optimal mix and weight of each medium.

The Campaign

McDonald's introduced the Grilled Chicken Flatbread Sandwich in key markets. The objective of the campaign: raise customers' understanding of product attributes, and drive trial and purchase intent. The target: adults, especially ages 18-24.

The Challenge

McDonald's wanted to find the most cost efficient way to maximize brand impact. The key challenges were to reach the target audience in new ways, communicate specific "emotive" product attributes of the new sandwich like novelty and taste, and compare the branding impact of online versus offline advertising.

How They Did It

McDonald's added interactive advertising to the media mix, which also included radio, print, and TV. Then, they used common branding metrics to measure the impact on the target audience.

What They Found

By increasing online advertising's reach by 60%, McDonald's would boost product awareness 8.3% overall among the 18-49 media target. This lift would result in six million more consumers becoming aware of the product.

Online makes a real contribution to multi-channel campaigns by reaching the same consumers in another complementary environment. It also reaches people other media can't. Among McDonald's target market, the 20% who are not heavy television users are reachable online. While television and radio advertising barely affected perception of the image statement "combination of great flavors" in this segment, online advertising greatly increased image perception.

By adding online to the media mix:

- Image perception shot up a powerful 9 points.
- Emotive brand attributes increased significantly.



"The challenging media landscape has forced us to seek out new and unique ways to reach our customers," said Nell Perry, Senior Director of Internet Marketing at McDonald's Corporation. "The XMOS study has confirmed for us that the Internet can provide us with an excellent way to reach out to important customer segments, particularly the 18-24 year old demographic."



www.iab.net/xmos

Cross Media Optimization Study : Example 2

	<p>Marketing Evolution Advertising Research Foundation Dynamic Logic Forrester</p>	<p>Unilever's Dove Nutrium® Bar: Same Budget, Better Results.</p> <p>In the case of Dove Nutrium®, allocating a higher percentage of advertising dollars to online advertising significantly increases brand awareness, purchase intent, and overall effectiveness of a multi-channel campaign.</p>
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XMOS Case Study Unilever's Dove Nutrium® Bar

The Cross Media Optimization Study (XMOS)

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The Campaign

Unilever used television, print, and interactive advertising components to introduce the Dove Nutrium Bar. The objective of the campaign: increase key brand metrics, including awareness, image, and purchase intent. The target: adult females in the U.S.

The Challenge

Unilever wanted to get better results by changing the spending levels in each medium. The key challenge was to find the optimal media mix.

How They Did It

Researchers Rex Briggs of Marketing Evolution and Charles Newman of Unilever gathered key metrics among nearly 13,000 women over a six-week period, and linked branding levels back to exposure in each medium. Then, Dove Nutrium advertising ran for seven weeks – starting with print in week one, adding online in week two, and adding TV commercials in week three.

Each medium's performance was measured by ratings information the agencies used to purchase the media. Actual cost of the media was an integral part of the analysis and was used to calculate the cost of increasing each branding metric.

What They Found

Interactive contributed significantly to brand impact. By increasing the online spend within the same total ad budget from 2% to 15%, Unilever would produce:

- An 8% increase in overall branding metrics.
- A 14% increase in purchase intent.



"Dove is dedicated to developing marketing plans built on consumer insights," said Peter Waxman, Director of Dove Masterbrand at Unilever Home & Personal Care — North America. "We commend MSN for spearheading this research, and we will further explore the benefits of cross-channel marketing."



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