



TRENDS REPORT

2017 EXECUTIVE SUMMARY



**FOODSERVICE PACKAGING
INSTITUTE®**

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INTRODUCTION

Every year, the Foodservice Packaging Institute conducts a survey to gather information about the latest trends in the industry. The ninth annual survey, sent in September 2017, asked members to share their opinions on the following trends:

- Foodservice packaging
- Raw materials used to make foodservice packaging
- Machinery used to convert foodservice packaging
- Foodservice distribution
- Foodservice operations

The surveys include responses from the entire value chain in North America, including:

- Raw material suppliers
- Machinery suppliers
- Converters
- Foodservice distributors
- Foodservice operators

The results of these surveys were compiled to create FPI's annual "Trends Report." The 18-page report contains two sections: the first section compiles member submissions and the second provides the top trends in the foodservice packaging industry based on FPI staff analysis of members' submissions to this recent trends survey. The report is available for all FPI members. Highlights from the 2017 report follow on page 3. The full report may be purchased by non-members for \$250.

Please contact Natha Dempsey, vice president, at ndempsey@fpi.org with any questions or to purchase a full report.

EXECUTIVE SUMMARY

In 2017, it seems all eyes are focused in unexpected places. Everyone is cautiously watching to see what the “Amazon Effect” will be on foodservice. Middlemen have been cut out as Amazon now offers manufacturers the option to sell directly to customers, sending ripples through the pond of distributors. With the announcement that Amazon was venturing into the retail food space, it leaves many wondering just how long it will be before Amazon and other online retailers wade into the foodservice waters.

It seems foodservice is already priming itself for e-commerce as both ordering and delivery are rapidly shifting. While it’s still possible to place an order with an employee at a foodservice operation, ordering options have expanded drastically. Inside the restaurant, there are automated kiosks or stand-alone touch screens to place and pay for orders. Or, there are online or mobile app options for pre-ordering and payment. Most rapidly evolving and expanding are the delivery options coming out of the foodservice industry.

An increasing number traditional dine-in foodservice establishments are offering take-out and delivery. The options for consumers seem almost limitless — quick-service to full-service dining and everything in between is now available. Third-party delivery vendors were quick to get into the game as well. Folks like GrubHub and UberEats are refining their craft to bring consumers meals in a flash.

This has ramifications on the packaging meant to deliver these meals to the masses. Meals must arrive looking consistently fresh, without condensation or moisture saturating the packaging. It also needs to be representative of the foodservice brand who sold it and whom the consumer associates that meal. And the consumer has to know it’s not only hot, fresh and from their favorite restaurant, but also safe. Tamper-evident packaging is more prevalent, and in more varieties. For ease of use, colors and shapes are being used to differentiate packaging.

Smart packaging concepts that are already in place on the retail side in meal delivery systems may soon find a home in foodservice delivery. Time and temperature indicators that help keep food fresh and safe could be applied to ensure consumers get the same with their home-delivered dinner.

Implications of e-commerce, delivery, and changes in packaging to meet these trends are relatively new to this report. What is not new are the numerous mentions about the changing materials used for foodservice packaging. Respondents continue to voice a movement away from polystyrene to other resins, paper and molded fiber. The reasoning has also shifted.

Previously, the move from polystyrene was attributed to growing legislative and regulatory pressures. In this survey, the resin shift may be a result of a growing interest in foodservice packaging that can be recycled and / or composted. This year, there seems to be more attention toward packaging that can be recycled or made with recycled content as opposed to composted.

Foodservice packaging will continue to change, adapting to the needs of the foodservice industry. Together, the supply chain partners — from suppliers to converters to distributors and operators — will work together to develop offerings that meet customers' needs, while keeping performance, cost, branding and, yes, the environment in mind.