

Sustainability Matters

What hospitality leaders want and how their brands can win

A special report by Foodprint
from Nutritics



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FROM NUTRITICS



Stephen Nolan
CEO, Nutritics

The boardroom case for sustainability

What do hospitality leaders really think about sustainability and environmental issues in general, and where do they see the opportunities for more progress in the move to a zero carbon industry? We posed these questions to a group of senior executives from across the restaurant, pub, bar and contract catering world at a breakfast round table in June 2023.

Their views, insights and aspirations form the basis of this third and final part of our exclusive in-depth research into sustainability in hospitality. The round table hosted by Foodprint from Nutritics and chaired by veteran industry insider Peter Martin, founder of Peach 20/20, brought together leaders to talk frankly about their achievements in sustainability and the areas where more work is still needed.

The discussions were informed by the findings of our first two research reports on the attitudes to sustainability among hospitality brands' two key stakeholders: guests and team members. The key insights from those surveys, carried out for Foodprint from Nutritics by CGA by NIQ, can be found later in this report.

We hope you enjoy reading this report and would love to hear your views.

Companies contributing

We would like to thank the senior executives who gave of their time to contribute to the round table conversation. Companies represented included: Comptoir Libanais, Dishoom, Gaucho, Greene King, Imbiba, JKS Restaurants, Leon, PizzaExpress, The Restaurant Group Retail & Concessions, Vapiano, wagamama, Wahaca and WSH.



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“ At wagamama one of our values is treading softly and mindfully, and sustainability remains at the heart of what we do. We have a number of initiatives running to reduce our impact on the planet, ranging from sustainable packaging, reducing waste, to plant-based eating. ”

Thomas Heier, CEO, wagamama



The hot topics

Hospitality executives on the key sustainability issues

The need for action

Leaders at the round table agreed on the urgency of the sustainability issue in hospitality. “I can’t think of anything in my career that has changed at such a pace and at such a level,” said one industry veteran. “It’s touching everyone and everything we do in our working days.”

There’s been excellent progress at many big brands, including wagamama. “At wagamama one of our values is treading softly and mindfully, and sustainability remains at the heart of what we do. We have a number of initiatives running to reduce our impact on the planet, ranging from sustainable packaging, reducing waste, to plant-based eating,” said its CEO Thomas Heier. But there’s no doubt that a lot of work remains to be done. “We know we’re nowhere near where we need to be,” another CEO admitted.

Engaging teams

Research by Foodprint from Nutritics and CGA by NIQ has shown how team members can drive progress on sustainability. That can start with good training, said Jon Knight, MD of TRG Leisure & Concessions. “Our guest-facing teams need to be able to articulate what’s good about sustainability in our business... they need training that’s clear, concise and accurate, and about the things that people can actually see in the restaurants.”

Other leaders flagged the value of incentives like integrating sustainability into bonus schemes or offering rewards for suggestions for improvements. “It’s something we need to do much more on,” one head of sustainability acknowledged. “A lot of our work so far has been at senior management level... but our people want to be engaged in it.”

As the Foodprint research shows, and leaders agreed, teams are generally much more engaged with sustainability than consumers.

Packaging

The use of plastics and paper are among the most visible aspects of waste in hospitality - even if they actually form only a small part of total carbon footprints. “Packaging is our biggest area of complaints [around sustainability],” said one CEO. “Our teams are super-passionate about paper and plastics... most of the noise is about our paper menus,” agreed another exec.

By making packaging more sustainable, brands can turn these negatives into positives. Cutting plastic from delivery containers is a good place to start. “It’s a way of bringing sustainability to life and making it more meaningful,” said the CEO of a restaurant brand that has gone plastic-free. Changes are good emotional hooks, another leader agreed. “We use these tangible pieces... to open the door and talk about the things that really matter [to carbon footprints].”

“ We absolutely want our stakeholders to know what we’re doing, and carbon labelling can help provide reassurance. It shouldn’t be the primary thing as it’s really up to us as a business to make sure it’s a good [sustainable] choice, and then reassure guests via the labelling.”

Annelie Selander,
chief sustainability officer, WSH



Carbon labelling

Labelling the carbon footprint of menu items shows guests that a brand is serious about sustainability. “We absolutely want our stakeholders to know what we’re doing, and carbon labelling can help provide reassurance. It shouldn’t be the primary thing as it’s really up to us as a business to make sure it’s a good [sustainable] choice, and then reassure guests via the labelling,” said Annelie Selander, recently appointed chief sustainability officer at WSH, the major contract caterer, which has been trialling with labelling at some venues. But it needs to be done carefully, she added. “It can’t be the primary thing. It’s up to us. We should make sure it’s a good [sustainable] choice, and then reassure guests via the labelling.”

Wahaca has been active here too. “It [carbon labelling] isn’t perfect, but we’ve seen a positive consumer response... it’s started a conversation,” said head of marketing Ed Latham. But care is needed to make sure that labelling doesn’t become a guilt trip. “People don’t want to be lectured at,” said one marketing director. “Some will say they want to behave sustainably, but when they go into a pub they still want their steak and chips.”

“I’d rather try something and show willing than be accused of greenwashing... people appreciate that more than a bundle of information they don’t understand.”

Vikki O’Neill, global CMO of Vapiano

Danger of greenwashing

Brands that are trying to communicate on sustainability know the risk of greenwashing only too well. “We’re very conscious of greenwashing and being careful not to overstate our position... our message is more that we’re striving to be better every day,” said one CEO.

There is a nervousness in many companies about how much and when to communicate their green credentials to the public – even if the public says it wants more information. The caution is because companies want to be sure their whole sustainability story stands up, and for many they know they still have more to do despite advances on many fronts.

“These are big businesses and you can’t turn a juggernaut around quickly. It’s about making little nudges... over time they’ll build and you’ll have made a big change.”

Su Cacciopo, Peta David Consultancy

Legislation

Legislation is often a bugbear in hospitality. But by reinforcing and broadening messages about the need for change, it could actually be a positive, one CEO said. “There’s a place for legislation... it can help focus [on sustainability] all the way through the supply chain.” Guidelines from the Advertising Standards Authority on environmental messaging can meanwhile be a helpful way for brands to avoid greenwashing.

Accreditation

The research by Foodprint from Nutritics and CGA by NIQ has shown how many consumers don’t yet understand accreditation like B Corp status. This highlights the need for the industry to simplify standards. “They’re good to have... but they’re not resonating because people don’t really know what they mean,” said one sustainability leader.

“We’re very conscious of greenwashing and being careful not to overstate our position... our message is more that we’re striving to be better every day.”

Company CEO



Getting better together

1 Look for marginal gains
Getting to zero-carbon status can't happen overnight, so seek to achieve it in small increments. "These are big businesses and you can't turn a juggernaut around quickly. It's about making little nudges... over time they'll build and you'll have made a big change," said Su Cacciopo of the Peta David Consultancy.

2 Keep it simple
Marketing directors admitted that sustainability messages don't always land as well as other communications. That's often because they're not easily understood - so look for short, sharp messages. "When you get into scientific information you can turn people off. It's about making it interesting... and finding things that people can engage with," said one.

3 Prioritise
All businesses have dozens of competing issues and struggle to give them the attention they all deserve. So pick the aspects of sustainability that matter most. As one leader said: "We've done lots of little bits and pieces, but it can feel fragmented. "[We ask ourselves] What really matters? What's going to make a meaningful, tangible difference?"

10 Act together
Round tables and open discussions like this are vital if hospitality is to make proper progress on sustainability. "We've got to be careful about rushing ahead with communications before we've spent the time collectively understanding what the problem is... and then doing something about it," said one MD. "We can trip ourselves up by focusing on the messaging; it can get really messy because we're all comparing different things." By looking around for inspiration and sharing best practice, brands can help hospitality as a whole position itself as a leader on this vital issue.

10 roundtable takeaways for better practice

9 Motivate staff
Look for elements of carbon footprints that teams can latch on to, like recycling and cutting food waste. "We aim for the low-hanging fruit - the improvements that staff can make, feel proud of and talk about," one ops director said. Creating league tables of the sites that are making the biggest cuts in emissions can help, he added. "You start to get that competitive element going."

7 Stay authentic
Consumers want brands to show genuine commitment to their values. "It's about having a purpose - and not just on sustainability," said Vikki O'Neill, global CMO of Vapiano. "I'd rather try something and show willing than be accused of greenwashing... people appreciate that more than a bundle of information they don't understand."

4 Work from the top down...
Roundtable guests agreed that change has to come from director level. Current levels of support vary: "I'm blessed with a board that's very supportive on this," said one CEO, but another added: "I haven't heard sustainability coming out of the owners' mouths at all yet." To get boards' attention, it can help to demonstrate the commercial as well as environmental benefits of becoming more sustainable in areas like energy use and food waste. "Being able to quantify sustainability is the way forward... that helps to get over the board challenge," said one leader.

8 Think social as well as environmental
Thinking laterally on communications can make messaging easier, one sustainability expert said. Try tweaking the language so you demonstrate all the wider benefits. "We're communicating it as a social solution rather than just a food waste solution."

6 Be honest with consumers
Guests are entitled to ask brands tough questions about sustainability. But they also need to be part of the solutions. "We need to tell consumers that we can make dishes with lower carbon impacts, but also that you need to buy them. We know there's more to do, but with the support of our customers we can accelerate the changes we need to make," said Mark Chapman, CEO of Zero Carbon Forum.

5 ... And the bottom up
Change also needs to come from the restaurant floor, another CEO pointed out. "If it's just coming from our executive team down then it won't land. We're trying to get a push and pull going... that's always the best way to do it."



Beyond the brands: Five round table experts on the role of sustainability

THE COMMENTATOR: Peter Martin, Peach 20/20

“Sustainability is a mainstream issue now. It’s not just about top-end or healthy brands - it goes right across the board. It’s a tricky area and it’s not going to be plain sailing. But every brand operator has a stake in this, because their customers have a stake in this too. The need for more information is coming through loud and clear, and the fundamental thing is that we need to communicate better. People want to know more, but it’s got to be authentic messaging about your progress and position.” www.peach2020.com

THE INVESTOR: Andrew Stones, Imbiba

“Sustainability is a big factor when we invest, and we do a lot of ESG due diligence. The businesses we invest in are generally quite small, so there’s an opportunity to put the right systems in place so as they scale up they’re doing the right things for the environment. There’s a business that we are looking at, that is so passionate about sustainability that we can see future value... it could be market-leading because of the equipment, systems and processes that they have implemented. Sustainability is also one of the key question that anyone who acquires our businesses will be asked.” www.imbiba.com

THE SUSTAINABILITY CHAMPION: Mark Chapman, Zero Carbon Forum

“There’s a perception that retail is better than hospitality on sustainability, but I don’t think that’s true. Hospitality is in a better place than retail to change people’s dietary choices and it’s great to see the momentum we have to collaborate and pool resources across our sector. While there are practical challenges of implementing change by coming together we can share our learnings to focus our time and investments on actions that improve our sustainability, efficiency and resilience.” www.zerocarbonforum.com

THE PR EXPERT: Mark Stretton, Fleet Street

“We’re seeing responsible business and sustainability coming from a little project-y and a bit of an adjunct in the industry to be front and centre, and a main part of people’s strategies.” www.fsc.uk.com

THE RESEARCHER: Karl Chessell, CGA by NIQ

“Despite the fallout from the pandemic and cost-of-living pressures, consumers still care about sustainability and want to be equipped to be able to make informed choices. Pubs, bars and restaurants that show good practice can improve brand trust and increase guest spend.” www.cgastrategy.com



“

Our guest-facing teams need to be able to articulate what’s good about sustainability in our business... they need training that’s clear, concise and accurate, about the things that people can actually see in the restaurants.”

”

Jon Knight, CEO, TRG Leisure & Concessions



Sustainability and consumers

Ten headlines

Sustainability matters to consumers

1

70% say they actively try to lead an environmentally friendly lifestyle.

Better data and labelling can increase sales

6

47% want more information about carbon footprints on menus.

It influences decisions

2

44% say it's important in their choice of venue.

Sourcing, recycling and reducing waste matter most

7

These are consumers' top three sustainability factors in decision-making.

Some people will pay extra for good practice

3

34% are willing to spend more than usual on brands with strong sustainability credentials.

Most formal credentials don't resonate

8

Awareness of environmental credentials like B Corp status is low.

Younger adults are heavily engaged

4

Those aged 18 to 34 are nearly twice as likely to pay more for sustainability than those aged 55+.

Some people are not yet engaged

9

23% say sustainability is unimportant in their choice of venues.

Consumers want better communications

5

Only 23% of consumers think brands and venues communicate carbon footprint information well.

The cost of living crisis is changing commitment

10

As household bills rise, sustainability-related pricing is under scrutiny.

The insights above come from research carried out for Foodprint from Nutritics by CGA by NIQ, and are included in the first Sustainability Matters report. For the full report on consumers' attitudes to sustainability, including priorities, breakdowns by brand usage and inspiration for improvement, [click here](#) or email claire.chalmers@nutritics.com



Sustainability and staff

Ten headlines

Hospitality staff are very eco-aware

1

94% say living an environmentally friendly and sustainable lifestyle is important to them.

Recycling, reduction and packaging matter most

6

91% identify these as important.

Sustainability is a big factor in career choices

2

94% consider a company's social and environmental responsibility when choosing where to work.

Staff training, community projects and sourcing need improvement

7

Fewer than half of staff see these in practice in their workplace.

Good practice leads to better retention

3

84% are likely to stay in a job for longer if their employer has a positive environmental impact.

Guests see signs of progress

8

82% think customers see their workplace as a sustainable venue.

More action is needed

4

Only 27% think their workplace is proactive in reducing waste and energy and prioritising ethical sourcing.

Communications should be clearer

9

Only 23% of consumers think brands communicate carbon footprint information well.

Staff can show the way

5

With commitment to good practice in their own lives, they are ready to help businesses on their sustainability journeys.

Hospitality needs to improve its image

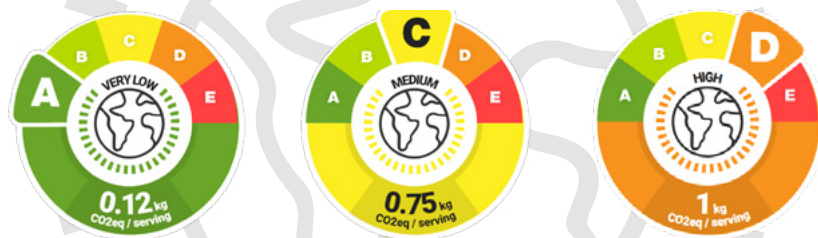
10

67% of staff think hospitality is behind other industries in sustainable practices.

The insights above come from research carried out for Foodprint from Nutritics by CGA by NIQ, and are included in the second Sustainability Matters report. For the full report on staff attitudes to sustainability, including the changes they want to see, [click here](#) or email claire.chalmers@nutritics.com



Helping food businesses on their journey to net carbon zero



Foodprint from Nutritics is a pioneering, fully automated environmental impact scoring solution for the hospitality sector, supporting strategic climate action and allowing for easy communication of achievements to consumers.

It enables food businesses to streamline food data, including nutrition and allergen labelling, with factors such as cost and environmental impact within a single system. Improving supply chain transparency, communicating effectively to consumers, and achieving future non-financial disclosure requirements, Foodprint aims to support the industry against challenges such as inflation, disrupted supply chains and climate change through data insights and informed strategy.

Foodprint offers tangible rewards to both the back and front end of food businesses. At the back-of-house, Foodprint allows businesses to gain clarity and control over the environmental footprint of their supply chains. It empowers users to understand the environmental impact of purchasing and to substantiate an organisation's sustainability goals and corporate values.

At the front-of-house, Foodprint's carbon and water display allows food businesses to add an environmental footprint score to packaging, dishes, screens and promotional materials. The automated outputs and transparency provided by Foodprint enable businesses to strengthen trust in their brand and bring their customers on their sustainability journey.

Scientifically proven, accurate and easy to use, Foodprint is putting hospitality on a path to more economically and environmentally sustainable decision making.

For more information visit www.nutritics.com





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