CUSTOMERS WE SERVE

ABOUT US



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## Serving for the Greater Good

For a number of fast-casual and quick-service restaurants, providing funding, employment opportunities and other philanthropically-focused contributions has become a standard way of operating—one that can resonate strongly with customers.

Sixty-three percent of consumers say they're more likely to visit a foodservice operator they view as socially conscious, according to Technomic research. And more than half of operators feel they need an actionable social responsibility strategy to remain competitive.

"It's just part of being a responsible business owner—and part of this tribe of human beings—to see how you can contribute," says Ben Daitz, co-owner of Num Pang, a Cambodian fast-casual concept with six locations in New York City. "At the end of the day, we're hopefully having an impact in areas that need help."

York City location opened in 2009—Daitz decided it was time for the sandwich shop to start giving back.

A number of Daitz's chef friends, he reasoned, could craft special

Once Num Pang became profitable—about two years after its first New

sandwiches Num Pang could then sell for a limited time, and proceeds would go to charity.

Since Num Pang's *Guest Chefs Give Back* program's 2012 debut, each handheld creation from culinary stars like Mario Batali has raised

between \$20,000 and \$30,000. Daitz has donated all proceeds to 10

In recent years, corporate social responsibility initiatives like Num Pang's, designed to support local communities, the environment and other causes, have become an almost expected aspect of working in the

foodservice industry, according to Wade Hanson, principal at Technomic.

"Some operators recognize the marketing value in positioning their good deeds," Hanson says. "But that's not to say operators investing in corporate social responsibility don't typically have good intentions. You genuinely do have a considerable number who believe enacting significant programs is the right thing to do."

## Take, for example, Dunkin' Donuts, which has more than 8,400 U.S.

**Societal Scope** 

locations. For widespread organizations like the donut chain, corporate responsibility efforts designed to better the climate or improve products' nutritional value may initially focus on one country or region, then expand to other areas once a program is in place.

The company, comprised mostly of franchises, has been working toward

sourcing cage-free eggs for 10 percent of the eggs used in its U.S. breakfast sandwiches by Dec. 31, 2016.

Dunkin' Donuts has also pledged to map out its international supply

chain so it can better understand how feasible transitioning to 100

percent cage-free eggs on a global scale would be, and what date it could be possible by—part of the animal welfare initiatives it developed with suppliers and the Humane Society of the United States.

"We believe it's important to be recognized as a company that responsibly serves our guests, franchisees, employees, communities,

business partners and the interests of our planet," says Christine Riley Miller, Dunkin' Donuts senior director of corporate social responsibility and the company's Joy in Childhood Foundation.

Some of the areas quick-service and fast-casual restaurants have focused on in recent years include:

Sourcing: Consumers have a growing appetite for natural, hormone-free foods obtained in a responsible way, according to Nassy

Avramidis, content development manager with global business community Sustainable Brands.

"Informing them where the food actually comes from—how you're treating workers and animals and suppliers—is hugely important to

As a result, it's crucial for restaurants to let consumers know if they're making freshness-related or other supply chain changes, Hanson says. Make sure consumers are aware you, as an organization, are

consumers," Avramidis says.

**Ethical Labor Practices:** Consumers also want to know how companies are treating employees, according to Cynthia Figge, COO and co-founder of CSRHub, which provides corporate social responsibility ratings for more than 16,000 companies.

addressing important issues. They might not know that you are," he says.

we rate company performance, and this area sees strong interest from employees, customers, investors and others," Figge says. "Do businesses appear to have safe working conditions? What are some of the issues around diversity training? Stakeholders are asking those kinds of questions."

"Human rights and the supply chain is one of 12 categories under which

**Community Involvement:** More than half of consumers feel it's important for fast-casual brands to give back to the community, according to Technomic.

"Often what we see now is business chains talking about benefits to the

One way to ensure consumers are aware of these types of efforts is through employees themselves; safety and ensuring stores are positive

workplaces should be key elements of staff onboarding.

community—what the company is doing with philanthropy, giving back, engaging employees in volunteerism," Figge says.

CSR efforts can include directly donating funds or food to local charities

or offering other types of encouragement.

strategies.

sponsor a marathon or a little league team," Hanson says. "That isn't necessarily a significant investment, but it can resonate with local customers."

"Support of the local community can mean a lot of things: You can

Dunkin' Donuts' DD Green Achievement initiative, launched in 2014 to help U.S. franchisees build sustainable, energy-efficient restaurants.

Working with their construction manager and architect, franchisees can incorporate construction waste reduction, zero-VOC paint use and other

**Environmentally Friendly Practices:** Sustainability measures run the gamut from on-site composting to green construction programs, such as

restaurants by the end of 2016—a milestone it reached last October with its new location in Orange Country, California, according to Miller.

Making CSR Work

Understanding what causes customers care about is the first step in developing a successful CSR program. "You're not trying to promote

Dunkin' Donuts set a goal in 2014 to open 100 DD Green Achievement

something; you're trying to marry the things you believe in to what customers believe in," Hanson says.

Companies should convey their targeted efforts to consumers using instore menu boards, their website, social media and other outlets; but

they need to walk a fine line between sharing CSR successes and

executing a calculated marketing campaign.

"Where we see the most receptivity is when the operator does a very good job of explaining why a particular aspect of CSR is important to them," Hanson says. "It has much more of an impact than just coming

out with an umbrella statement about their commitment to corporate

social responsibility."

Although that level of communication may be a new move for some operators, the way they share what socially responsible actions they're taking can mean the difference between gaining new customers and losing them to a competitor.

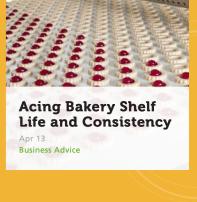
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