

Case Study **Private and Public Companies**

Restaurant Management /
Nutrition Information

Adapting New Food and Beverage Rules to the Lebanese Market

BACKGROUND

Changes in consumers' tastes and greater concern for health issues have led to a change in consumer habits and requirements when eating out. Consumers today are more interested in nutritional information, food product characteristics, and preparation methods of food they consume away from home. Escalating health concerns have led many governments in developed countries to pass legislation compelling restaurants to post nutrition labels and specify the nutrients associated with individual dishes on the menu. Such efforts have aimed to enhance consumer knowledge and attitudes about the food they consume, influencing their food choices and helping them make more healthy decisions. Unlike in developed countries, where several regulations in terms of nutritional and other menu information already exist, developing countries such as Lebanon lack such regulations.

EXECUTIVE SUMMARY

Client Challenges

- In December 2014, the US Food and Drug Administration (FDA) unveiled a list of rules that will require chain restaurants to post calorie counts for the food they sell.
- A study was launched a couple of months later by LAU Consult in the Lebanese market based on a survey of major restaurants nationwide.
- As a result of the growth of food outlets in Lebanon and the Lebanese people's increased health problems and concerns (elevated rate of heart diseases, cholesterol, obesity, etc.), Lebanese restaurant owners/businesses showed increased concerns about and interest in:
 - Which specific menu information to include
 - Whether the inclusion of such information would positively affect people's perception and visits

Our Solution

- Detected the most important types of menu information
- Examined the relationship between menu information and customers' perception of these restaurants
- Secured increase sales and revisits to Lebanese Restaurants

Our Intervention's Impact

- The findings were shared with three major leading restaurant chain groups that supported the study.
- The three restaurant chain groups have since gradually implemented some of the findings in their various establishments (e.g. listing health items with nutrient and product characteristics; providing a new healthy menu).
- The three restaurant chain groups have reported improvement in their customers' satisfaction and increase in sales/revisits as a result of these changes.

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For more information:

w: consult.lau.edu.lb

e: consult@lau.edu.lb

t: +961-9-547254 ext. 2242

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Key Client Challenge

There was a vital need to explore how the new food and beverage rules set by the United States Food and Drug Administration could be adapted to the Middle Eastern market as a means to provide healthier food choices and enhance restaurants' sales and patronage.

Our Solution

Detection of Most Important Types of Menu Information

- Survey respondents expressed the greatest interest in seeing nutritional information, followed by product and preparation methods.
- Salt, sugar, fat, and calories were the most important information identified in terms of nutrients.
- Quality, quantity, merchandizing terms (e.g. Halal meat available), and brand name (e.g. Perrier and Pellegrino sparkling water) were the most important in terms of product characteristics

Menu Information in Relation to Perception and Visits

- When a restaurant's menu included all the information that respondents wanted, respondents exhibited an extremely positive perception of these restaurants and indicated a high intention to visit/revisit them and engage in sales.
- The three major leading restaurants enhanced the restaurants' image, turnover, and sales by displaying the menu items information (salt, sugar, calories, quantity, quality, etc.).

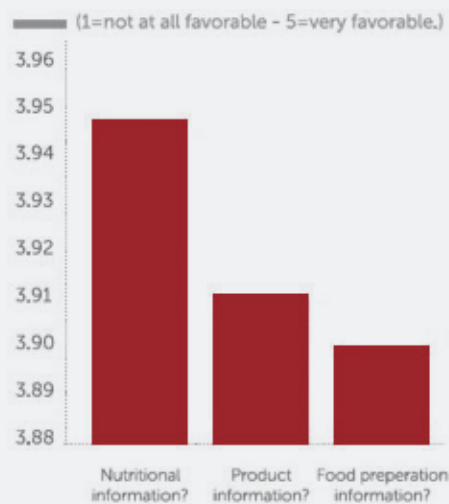
Regulatory Insights/Implications (ongoing)

These results will help policymakers establish laws and regulations in the future that:

- Match the needs of the Lebanese consumers and protect their interests in terms of health and nutrition.
- Further regulate and increase the competitiveness, sales, and performance of the Lebanese restaurant industry.

(See graph below)

Are you in favor of passing a law that compels restaurant establishments to include the following information in their menu list?



Guy Assaker, PhD
Consultant