TRENDS REPORT

2022 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 14th annual survey, sent in September 2022, asked members to share their opinions on the following topics:

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

The survey includes responses from the entire value chain in North America, including:

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

The results of the survey were compiled to create FPI's "2022 Trends Report." This year's 17-page report contains two sections: a compilation of member submissions and the top trends based on FPI staff analysis of members' submissions and other general industry observations. The report is available to all FPI members. Highlights from the 2022 Trends Report are included in this Executive Summary.

Please contact Ashley Elzinga, Director, Sustainability and Outreach, at aelzinga@fpi.org with any questions.

EXECUTIVE SUMMARY

The past couple of years have been up and down and full of challenges. If we thought that would change in 2022 as things return to "normal," we'd be wrong. Our new, post-pandemic version of normal isn't quite what we'd imagined. There's increased economic pressure on an already stretched global supply chain, increased focus on the foodservice packaging industry from a legislative and regulatory policy perspective, and movement and growth in both the foodservice segments drawing consumers and the ways in which they choose to have their foodservice delivered (or not).

In the foodservice packaging space, we've seen versatility and flexibility requirements commonly applied across the board. Everything from raw material inputs, machinery and equipment to the packaging being manufactured itself, must be adaptable — and quickly adaptable.

With continuing supply chain disruptions and rising inflationary concerns, more respondents are being asked to "do more with less." This shows itself in different ways — in the converter community it is requests for multi-purpose machinery that allows manufacturers to quickly switch out sizes and formats and for operators it may manifest as a requirement that a single package can support multiple offerings and functions. And, we don't expect these requests for packaging flexibility to slow down.

Something else that's top-of-mind for our industry is policy, specifically extended producer responsibility (EPR). This is a relatively new concept in the U.S., with four states having laws on the books. Often the complexities and inconsistencies related to defined terms and responsible parties are causing both confusion and concern for respondents. They also highlighted challenges with the ever-increasing patchwork of state legislations defining what is considered 'recyclable' and 'compostable.' In another instance of policy influence, we're seeing operators with an international footprint transitioning to packaging that can service both the North American and European markets.

As we continue to weather the post-COVID waves, we're seeing different parts of the foodservice space waxing and waning. The grocery and convenience store spaces have seen growth with wider selections and evolving foodservice offerings. Grocery meals to-go and convenience store foodservice appeal to consumers who want to consolidate trips out of the home, but still want the convenience of not having to cook.

We've also seen a resurgence of the breakfast daypart, particularly as some consumers have increased time away from home, the return to offices and spending more time commuting. Other trends, such as snacking — a favored pastime during COVID — continue holding strong.

Another shift seems to be happening around how consumers receive their meals and foodservice. Respondents reported they are still seeing strong demand for off-premises dining, growing along with demand for drive-thru and curbside pick-up.

As delivery fees to both third-party and native delivery sources continue to rise, we're seeing signs that the delivery market may be tapped out. As inflation significantly impacts food and fuel costs, consumers are more conscientious of where their dollars go.
One thing that remains consistent over the past two years is that 2022 feels significantly different from previous years. Facing our new normal and looking to the future, it's likely the foodservice packaging industry will continue to feel and face the pressures.