

Value of FHRs Business Research: Chapter 2

What do businesses value about the FHRs process?

Overall, most businesses said that they value the current FHRs, with many expressing positive attitudes towards the scheme. This view was generally consistent across the three nations, as well as across business size, type and FHRs rating. However, a small number of businesses felt that the FHRs offered limited or no value to their business. These differing views on the extent of the value offered are discussed in more detail below.

There were two broad areas of value that businesses discussed most often. The first was that FHRs offered a way of supporting them as businesses, in maintaining appropriate food hygiene standards. The second area was through displaying, or otherwise using FHRs ratings as a way of engaging customers and strengthening their business' commercial offer.

“I do think there's a value, because it helps me make sure that everything's in place.”
(Northern Ireland, small business (10-24 employees), 3 FHRs rating)

“It gives us [what] we need to improve or not. Giving a 4 still means we have to excel to 5, we haven't reached that final bar. It allows us to create that improvement that we need to work for, we're still working on it.”
(England, small business (10-24 employees), 4 FHRs rating)

In England and Northern Ireland, most businesses felt the FHRs offered value to them in at least one of these ways. In Wales, many businesses thought the scheme had value for them, but overall views were more mixed.

The businesses who said that the scheme offered little value to them often linked this to their specific circumstances and focused more on customer engagement. For example, several of the businesses in Wales that did not value the scheme, were small businesses based in rural locations. These businesses suggested that where they were located had limited the value of the FHRs, because consumers have few alternatives to use.

“I think if you were a city centre pub, it might make a difference, but out here in the countryside we're the only pub around, so I don't think it makes much difference.”
(Wales, small business (<10 employees), 5 FHRs rating)

“None [no value], so I've got to be honest, as I say, I've got my regulars, I'm busy all the time.”
(Wales, small business (<10 employees), 3 FHRs rating)

2.1 Supporting compliance

Businesses frequently mentioned the value of the scheme for letting them know how well they were complying with food hygiene standards. Similarly, some businesses discussed that the FHRs gave them confidence that their own procedures were effective. They felt that having an external assessment was an important way of reviewing their operations and ensuring that they were meeting the required standards.

A few businesses discussed that FHRs inspections had identified issues with their food hygiene practices, and these businesses said that they had found the FHRs process to be useful for knowing how to improve their compliance. Some also mentioned the valuable support and suggestions offered by the local authority.

“The longer we go operating the way that we are, without having a third party that have the ability to shut our business down essentially, just checking in and inspecting us, there's constantly that risk that there's some gaping hole somewhere.”

(England, small business (10-24 employees), 4 FHRs rating)

Large businesses also highlighted supporting compliance as an important area of value for them. They described the FHRs as helping them to maintain generally high levels of compliance throughout their business. Most large businesses achieved FHRs ratings of 5 across almost all of their premises. However, some explained that if a site received a lower rating, they would use this within internal performance reviews. A small number of large businesses mentioned that they also used their competitors' FHRs ratings as a benchmark to compare how they are performing within their own industry.

“We would establish what they've scored points on and where [they've] dropped points, and then we'd do coaching visits. Our [internal operational support leads] would go in and do coaching. Now, if it were a serious food safety thing, one of my technical team would go in so that they are then supporting the team. Sometimes it's a very simple thing, like they can't find the right documentation, and we can support them in organising that.”

(Large restaurant business)

“I think they play an important part in terms of keeping the culture in the right place within the business around food safety. It's really good, helpful, external view, external feedback on how we're doing.”

(Large retail business)

“It gives us an opportunity to benchmark ourselves against other companies, which is invaluable, really.”

(Large restaurant business)

2.2 Customer engagement

For many businesses, the main area of value offered by the FHRs was that the scheme helped with engaging their customers. This was raised as an area of value across businesses of different types in all three nations. Businesses explained that a FHRs rating of 4 or 5 (“good” or “very good”) gave customers confidence and could also help attract new customers. Although many businesses in Wales felt FHRs ratings helped with customer engagement, there were more mixed views than in the other nations. This often seemed to link to the nature of the local economy, particularly in rural locations.

Some businesses argued strongly that the FHRs added real value to their customer engagement. They felt that customers made a conscious effort to consider, and look for, ratings, and if the businesses rating was low, customers would avoid using them. Some businesses also discussed more generally how they felt that FHRs ratings helped to ensure customer confidence in their business.

“A couple of weeks ago, we didn't realise our sticker had actually fallen off the window, so it wasn't there. It wasn't until a member of the public walked past, came inside to us. And as I say, we're 5, so we have nothing to hide but it was a member of the public came in and said, 'I won't be coming in here if you're not displaying your rating on the window.' We never even noticed.”

(Northern Ireland, small business (<10 employees), 5 FHRS rating)

“Well, I think having a good score just inspires confidence. I don't think people would be coming to buy ice cream off me if we had a 2, to be honest because anything less than a 4 or a 5 is seen as, 'Don't go near.'”

(Wales, small business (10-24 employees), 5 FHRS rating)

Several small businesses of different types felt the FHRS had played a significant role attracting new customers to their business. This seemed to be particularly important where there was local competition among businesses of a specific type, such as cafes or takeaways.

“I'll tell you, it's bringing more business. If there is a good rating, people will just think it's a good shop, it's well cleaned, safe.”

(England, small business (10-24 employees), 4 FHRS rating)

Others cited the growing influence of local media, including through social media. This was seen as having increased the importance of the scheme to both consumers and businesses, as discussed further below.

“I think more [value] now because people check. Years ago, people didn't check. Now they put it in local newspapers... and I think because it's been promoted more, customers are far more aware of it.”

(England, small business (<10 employees), 5 FHRS rating)

However, a minority of businesses felt that the FHRS had little or no value when it came to engaging customers. Some businesses across all nations felt that customers do not check or pay attention to FHRS ratings, even in Wales and Northern Ireland, where it is mandatory for the ratings to be displayed.

“I don't think it would necessarily draw in many customers, because the competition here in the city is very high, but I would say there are a minority of people, maybe it could be 10%, 15% of customers that that would be an important factor when it came to deciding their dinner for that night.”

(Northern Ireland, small business (10-24 employees), 5 FHRS rating)

Some businesses argued that a lack of alternatives meant that FHRS ratings were less important in practice to consumers in their area. The businesses that discussed this tended to be in more rural locations – although not exclusively – and pointed out that they had a regular customer base who they thought would stick with them even if they received a lower FHRS rating.

“I'm sure it does to a handful, but I don't think it would be enough that would affect the amount of business. I think you might lose a very small percentage if you had a low score. But I think people make an assessment based on their own gut instinct when they come into a place.”

(England, small business (10-24 employees), 4 FHRS rating)

“Again, I think because of where we are, it's all about building reputation. The village here is probably 100 people maximum that live here full-time. Lot of farms. It's quite a good selection of people, the little surrounding villages. It makes no difference, it could be a zero, but they would still come.”

(Wales, small business (10-24 employees), 2 FHRS rating)

Related to this, some businesses across all three nations felt the value of the FHRS was limited by a lack of awareness and understanding among consumers. They felt that most people did not understand FHRS ratings and what is considered in the final rating awarded. For example, a few businesses thought consumers assumed quality of food was a key part of the assessment. These

businesses suggested that a renewed awareness campaign or refresh of the scheme could help to address this.

“I don't think it offers any value. As I say, they think that 5 stars means that your food is fantastic.”

(Northern Ireland, small business (<10 employees), 5 FHRs rating)

“I don't particularly like the scoring because I think the general public's perception of the scoring, they're not educated on it enough. They just think it's about cleanliness, and not necessarily about the paperwork that goes behind it. Sometimes they'll see a 2 and think that must mean it's disgusting and they're serving bad food, whereas actually it could just mean that it was a bit of paperwork lost, or it wasn't in the office at that specific date.”

(Wales, small business (<10 employees), 3 FHRs rating)

Overall, large retail businesses tended to think that there was less value for them from the FHRs in terms of customer engagement. They felt this was more relevant to small and medium businesses. Instead, large businesses emphasised the value for maintaining food hygiene standards across their premises.

“I think, if you got rid of it, you're going to need to find something that fills that space because it has been so useful to us in terms of compliance. But as a communication tool to customers, I'm not convinced at all on it.”

(Large retail business)

Large restaurant and takeaway chains were more likely to say the scheme had some value for engaging customers, although this was typically framed negatively – i.e., that lower FHRs ratings would damage customer engagement, rather than higher FHRs ratings attracting customers. For example, one restaurant chain argued that if they had premises with low ratings, this low score would damage their reputation. Likewise, a national takeaway chain felt it had value here. They explained that their customer surveys do not directly address the FHRs, but that customer interactions suggest it may have some importance.

“Because of the size and scale of our brand, the general public would generally expect that we have 5s or maybe 4s, and I think anything less than that could damage our reputation and result in less customers coming in.”

(Large restaurant business)

“We've just got this gut feel that it's the most important thing to our customers.”

(Large restaurant business)

Other large businesses did not think FHRs ratings made much of a difference to consumers. They supported the view that consumers did not generally understand the scheme and that this limited its value. For example, one national restaurant chain argued that it is not relevant to customers, and they felt that more could be done to promote the scheme, so that it is closer to achieving its intended purpose.

“I'm not entirely sure customers understand. I know it might say, 'Generally satisfactory,' next to a 3 or, 'Good,' for a 4 or, 'Very good,' for a 5. But, if I'm honest, I really don't think customers fundamentally understand what that means, as in if you get a 0, does it mean you've got pests? If you get a 1, does it mean you've got unsafe food? Consumers, I don't think, fundamentally understand what food hygiene ratings mean.”

(Large retail business)

2.3 Other aspects of value from the FHRs

In addition to supporting compliance and engaging customers, businesses highlighted a range of more specific examples of value from the FHRs. These examples were not raised as frequently, and often only by a small number of businesses. These aspects were not linked to particular business types or different nations but seemed to reflect the specific circumstances of the individual food businesses.

Insurance cover

A few small businesses had been asked for their FHRs rating when applying for business insurance cover. These businesses did not know what role FHRs ratings might have played in influencing insurance cover or premiums.

“I actually think [insurers considering FHRs rating] is quite a good thing. I'd like to think that people that are trying harder probably seem at less risk to the insurance company than someone who isn't trying.”

(Northern Ireland, small business (10-24 employees), 5 FHRs rating)

Those who had been asked to provide details of their FHRs rating when applying for insurance also had different viewpoints on this. One business said that they did not know why they had been asked for these details and did not know whether it had made a difference to their premium. Another business, who had been given an FHRs rating of 1 at their last inspection, thought how ratings were used varied between different insurance providers. Despite having been refused cover by their previous insurer, when they approached a new provider for cover, they have not been asked about their FHRs rating.

“All of a sudden, our business insurance asked us for our hygiene rating, we told them that it was only 1 star and they didn't want to insure us anymore. So, I had to go around and look elsewhere for a business who wanted to insure us. There was one that wanted to, and we haven't had any problems since, and the rating hasn't changed, so not sure why an insurance company might want to refuse any insurance based on food hygiene rating.”

(England, small business (<10 employees), 1 FHRs rating)

“We are asked, for insurance, what our hygiene rating is. Yes. What difference it makes to the premium, I've got no idea.”

(England, small business (<10 employees), 2 FHRs rating)

Social media and online aggregators

A few small businesses mentioned that they display their FHRs rating on their social media and website, although there was no pattern in terms of business types and nation. Among those who did display it on their social media and website, they argued that it makes sense to include it as it is another way of promoting how well they were performing to their customers, and that this could increase trade. Some noted that when they had a lower rating previously, or if they were to receive a low rating in the future, they might be unlikely to display it.

“Yes, it goes on Facebook, it goes on all the windows around the place on the outside. So, it's advertising that side of stuff because it's a big plus point to have.”

(Northern Ireland, small business (10-24 employees), 5 FHRs rating)

“We have it up in the shop that we've got a 5, but I don't think we advertise anywhere else.”

(England, small business (25-49 employees), 5 FHRs rating)

Across the different businesses included in the research, only a small number were registered on online aggregators like Just Eat, Uber Eats and Deliveroo. Others did not offer delivery or

delivered themselves. This meant that few businesses placed value on the FHRS rating in terms of being able to trade on these platforms. However, those small and large businesses who used online aggregators for delivery emphasised that it was important to them to trade in this way and recognised the role of FHRS ratings in being able to do so. One medium business explained that the FHRS did not offer additional value for them in relation to online aggregators, because they have only ever received FHRS ratings of 5 for their premises. They had not needed to worry about being removed from the aggregator platforms due to their FHRS rating.

“The [online aggregators] link into it now, although quite interestingly I think Deliveroo, because we work with them, don't accept anything below 2. Although I've got a couple of stores that have got 2-star ratings. Prior to that, they'd accept a 0.”

(Large retail business)

“We've always been a 5, the last while anyway, and I don't ever remember a case where I was told that we need to be above a certain rating, but it's making a bit of sense now because I don't think there's anyone on there that's not at least a 3.”

(Northern Ireland, small business (10-24 employees), 5 FHRS rating)

“We work with Just Eat and Uber, and obviously if a rating is particularly low, then it does mean that they will take that restaurant off the delivery platform, so they'll no longer be able to do delivery until such time as they get an improved hygiene rating back again.”

(Large restaurant business)