



# The State of Restaurant Survey

## 4 Lessons from Today's Demanding Diners



1 in every 4 consumers still want restaurants to improve on cleanliness and service.



75% of consumers will skip a restaurant with negative reviews about its cleanliness.



60% of consumers read online reviews before going out for a meal.

### Key Findings / Summary

Restaurant sales and customer counts are down. Why eat out when it's easier than ever to chow down on good food at home. Uber Eats, DoorDash or GrubHub will deliver straight to your door. This trend isn't slowing down: restaurant-to-consumer delivery and platform-to-consumer (e.g. Postmates, Seamless) delivery will increase by 33% and 50% respectively by 2023. And choices abound: there are now more than one million restaurants in the U.S., with about 10,000 new restaurants added every year.

### What do restaurant executives need to know about diners and their expectations in 2019?

Winning in the restaurant business is no longer just about food. Diners are hungry for the best experience they can get – it starts with the basics of cleanliness and service. We surveyed 1500 diners on their recent restaurant experiences, and below are some key findings to help restaurants execs navigate the evolving landscape of eating out in America.

#### 1. You can always improve on cleanliness and service.

70% of consumers think restaurants are providing a great experience, and 62% think restaurants know what they want from a dining experience. While these are great numbers, we also found there is lots of room for improvement: 1 in every 4 consumers still want restaurants to improve on cleanliness or service. Cleanliness also helps ensure repeat customers: clean tables and eating areas were the most cited as the most important factors in getting diners to return to your restaurant.

#### Why it matters:

60% of people read online reviews before going out for a meal, and a substantial 75% of consumers will skip a restaurant with negative reviews about its cleanliness.



Millennials spend \$600 billion in the US yearly and allocate the highest percentage of their income to food and beverage.



1/2  
of millennials spend more on restaurants than they save for retirement.



30%  
of consumers said technology like wifi or mobile ordering would make them want to return.

## 2. You should be courting millennials – but ensuring you give them a great experience.

We found that millennials (25-39) eat out more than any other age group. We also found millennials are the most likely to post on social media and tell a friend when they have a bad experience in a restaurant.

### Why it matters:

Millennials spend \$600 billion in the US yearly and allocate the highest percentage of their income to food and beverage. Half of millennials spend more on restaurants than they save for retirement. In 10 years, millennials will replace Boomers and Gen X as the biggest spenders on food. There's a big slice of the pie waiting for restaurants that offer experiences that keep these consumers coming back.

## 3. Your most valuable customers have higher expectations and lower tolerance for bad experiences.

83% of diners 40 and older say they are more likely to dine at a competitor if they have a bad experience – only 68% of Gen Z and Millennials said the same. Similarly, 84% of customers 40 and older are less likely to ever return after a bad time, compared to 76% of Gen Z and Millennials

### Why it matters:

Boomers are still the wealthiest consumers in the US and Gen Xers (35+) spend the most on average on restaurants and takeout.

## 4. Tech expectations are high for coffee shops.

We found that 30% of consumers said technology like wifi or mobile ordering would make them want to return (that's 10% more than fast food, fast casual, and fine dining).

### Why it matters:

Coffee shops were a \$45 billion market in 2018 – and continue to grow. They've also become the de facto mobile offices of the rapidly growing remote workforce. Just about everyone (99%) expects to be a remote worker, at least part time, in the near future.