Restaurant Consumer Insights

Dining Dynamics in 2024: The Shifting Landscape of Consumer Tastes

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Guests visit restaurants less often. Respondents reported using restaurants less frequently across all dining categories in the past month. Quick-service restaurants (QSRs) experienced the smallest decrease in visits, likely because of affordability.

Guests are spending less. Nearly 40% of respondents said they are cutting back on restaurant spending compared to last year, primarily by reducing visits and ordering fewer menu items per visit.

Families represent an opportunity to boost sales. When compared to households without children, families are more likely to order more frequently in greater quantities and choose more expensive restaurants. RMS recommends operators cater to this profitable segment.
Insight One

More respondents are reporting fewer restaurant visits in Q1

In the past month, have you ordered more or less frequently from the following restaurant types? Share of respondents who are dining ‘more’ minus those who said ‘less’

January is typically a time when consumers reduce restaurant visits, but the 2024 trend is more pronounced than in years past. Quick-service restaurants (QSRs) experienced the smallest reported decline in frequency compared to other dining segments, suggesting guests are looking for affordable options.
Insight Two

Weekly **dine-in usage increased compared to the previous quarter**

Share of respondents reporting **at least 1 weekly restaurant visit** by revenue center

Despite dips in frequency, the majority of respondents reported at least 1 weekly restaurant visit in every revenue channel.

Drive-thru and dine-in usage increased, while takeout remained stable. Delivery declined, although 1 in 2 respondents reported at least one weekly visit.
**Insight Three**

**Going forward, all revenue channels could see further decreases**

**Going forward, how often do you plan to order from the following revenue centers?**

Share of respondents who are going **‘more’** minus those who said **‘less’**

- **Dining out**
  - More: 60%
  - Less: 40%

- **Dining out**
  - More: 40%
  - Less: 20%

- **Dining out**
  - More: 20%
  - Less: 0%

- **Dining out**
  - More: 0%
  - Less: -20%

- **Dine-in**
  - More: -19%
  - Less: 19%

- **Drive-thru**
  - More: -18%
  - Less: 18%

- **Takeout**
  - More: -19%
  - Less: 19%

- **Delivery**
  - More: -28%
  - Less: 28%

**Overall, intentions for future dining declined across all restaurant channels.**

Respondents were least likely to increase delivery orders — 38% said they would use the channel less, and just 11% plan to order delivery more.
Almost **3 in 4** respondents believe they are paying higher **restaurant prices**

Share of respondents who feel restaurant and grocery prices are 'higher' or 'much higher' than a month ago

Perceptions of Food Away from Home and Food at Home prices remain relatively stable as we enter 2024.

77% still believe they are paying higher grocery prices.
Insight Four Cont.

In reality, the gap between Food Away from Home (FAFH) and Food At Home (FAH) prices continues to widen

Food Away from Home (FAFH) and Food At Home (FAH) Consumer Price Changes YOY

Insight Five

Almost 2 in 5 report spending less disposable income on restaurants

Compared to last year, the share of disposable income I spend on restaurants is ...
Insight Six

Compared to Q4 2023, customers who spend less dined out less frequently and ordered fewer items

How are you spending less at restaurants? Response rate and change from Q4 2023

- Order less frequently from restaurants
- Choose less expensive restaurants
- Purposefully order less to save money
- Order less expensive items
- Use more coupons and deals
- Order more value-oriented options
- No longer order delivery so I don’t have to pay for fees
- No longer order beverages
- No longer order appetizers
- No longer order dessert
- Now order for fewer people

Almost 1 in 2 of those “spending less” opt for more affordable restaurants, in line with last quarter.

On a positive note, the percentage of respondents ordering less expensive items and skipping appetizers or desserts decreased by 7%, 8%, and 10%, respectively.

Q4 2023 n283 | Q1 n605
Insight Six

Respondents who increased restaurant spending this quarter ordered more frequently and spent more on delivery.

How are you spending more at restaurants? Response rate and change from Q4 2023:

- **I order the same meals, but prices are higher**
  - Q1 2024: 69%
  - Q4 2023: 75%
  - Change: ▼-6%
  - Q4 2023: ▼-13%

- **I order the same beverages, but prices are higher**
  - Q1 2024: 38%
  - Q4 2023: 43%
  - Change: ▼-13%

- **I order more frequently from restaurants**
  - Q1 2024: 24%
  - Q4 2023: 16%
  - Change: ▲8%

- **I pay more delivery fees & charges**
  - Q1 2024: 23%
  - Q4 2023: 26%
  - Change: ▲4%

Q4 2023 n256 | Q1 n512
How do dining habits vary between households with children and those without?
Family households are strong restaurant advocates

Households With Children

64% reported at least one weekly delivery order in the past month, and 26% get delivery at least 3 times a week.

41% reported spending more on restaurants compared to last year.

Households Without Children

58% did not use delivery during the average week in the past month.

Only 28% said they spend more of their disposable income on restaurants compared to last year.
Among those **spending more** at restaurants, **families** represent a significant opportunity for **increased sales**

When asked how they are spending more at restaurants respondents reported:

<table>
<thead>
<tr>
<th>Households With Children</th>
<th>Households Without Children</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>33%</strong></td>
<td><strong>17%</strong></td>
</tr>
<tr>
<td>Spend more on</td>
<td></td>
</tr>
<tr>
<td>delivery fees &amp; charges</td>
<td></td>
</tr>
<tr>
<td><strong>31%</strong></td>
<td><strong>19%</strong></td>
</tr>
<tr>
<td>Order more frequently</td>
<td></td>
</tr>
<tr>
<td>from restaurants</td>
<td></td>
</tr>
<tr>
<td><strong>23%</strong></td>
<td><strong>9%</strong></td>
</tr>
<tr>
<td>Order for</td>
<td></td>
</tr>
<tr>
<td>more people</td>
<td></td>
</tr>
<tr>
<td><strong>20%</strong></td>
<td><strong>9%</strong></td>
</tr>
<tr>
<td>Order appetizers</td>
<td></td>
</tr>
<tr>
<td>more often</td>
<td></td>
</tr>
<tr>
<td><strong>17%</strong></td>
<td><strong>11%</strong></td>
</tr>
<tr>
<td>Order more to</td>
<td></td>
</tr>
<tr>
<td>have leftovers</td>
<td></td>
</tr>
<tr>
<td><strong>14%</strong></td>
<td><strong>4%</strong></td>
</tr>
<tr>
<td>Choose more expensive</td>
<td></td>
</tr>
<tr>
<td>restaurants</td>
<td></td>
</tr>
</tbody>
</table>
Respondent Breakdown
**About the survey**

RMS surveyed 1,604 people in the United States from Jan. 31 – Feb. 5, 2024.

**Gender**
- 54% Female
- 46% Male

**Generation**
- Gen Z: 14%
- Millennials: 28%
- Gen X: 28%
- Boomers: 30%

**Restaurant usage**

<table>
<thead>
<tr>
<th>Usage Level</th>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrequent users</td>
<td>8%</td>
<td>Order from restaurants at least 1x per week</td>
</tr>
<tr>
<td>Moderate users</td>
<td>35%</td>
<td>Order from restaurants 2–4x per week</td>
</tr>
<tr>
<td>Frequent users</td>
<td>57%</td>
<td>Order from restaurants at least 5x per week</td>
</tr>
</tbody>
</table>
RMS surveyed 1,604 people in the United States from Jan. 31–Feb. 5, 2024.

**Employment status**
- Employed for wages: 46%
- Retired: 22%
- Self-employed: 9%
- Homemaker: 7%
- Unable to work: 6%
- Out of work: 6%
- Student: 4%

**Region**
- West: 19%
- Midwest: 23%
- South: 41%
- Northeast: 17%

**Children**
- Under the age of 16 in the household
  - None: 71%
  - 1 to 4: 14%
  - 5+: 5%

**Household Income**
- Under $50k: 42%
- $50k to $100k: 37%
- Over $100k: 19%
- Prefer not to answer: 2%
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