



---

TO: Interested parties  
FROM: Quadrant Strategies  
DATE: June 29, 2021  
RE: Restaurant Survey

---

**Methodology:** Between June 4, 2021 and June 24, 2021, Quadrant Strategies conducted an online survey of 300 restaurants distributed across the US. The margin of error is +/- 6%.

**About Quadrant:** Quadrant Strategies - named one of Inc.'s 5000 fastest-growing privately-held companies - is a prominent market research firm based in Washington, DC. Quadrant's survey data has been featured by media outlets that include The Wall Street Journal, NBC, and The Associated Press.

### Executive Summary:

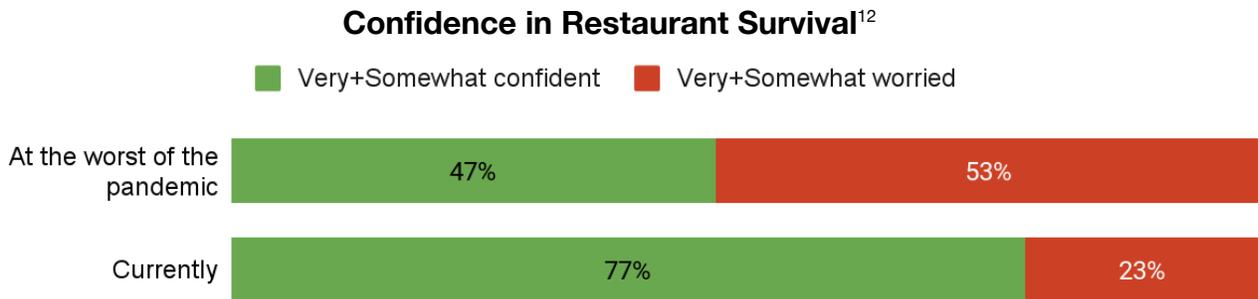
Despite their concerns about survival during the peak of the pandemic, U.S. restaurants are now confident they can keep their doors open and have high expectations for their future.

- The majority of restaurants were worried about their survival at the worst of the pandemic, but sentiment has improved dramatically, and now only 2 in 10 are worried about survival. Nearly 8 in 10 are *confident* in their ability to survive beyond the pandemic.
- Three quarters of restaurants report doing well financially today, and 90% expect to be doing well in a year.
- Thanks in part to more outdoor dining options, alcohol delivery, and the downtime to upgrade their facilities and operations, 85% of restaurants feel they're in a better position now than they were before the pandemic hit.

Even with the renewed confidence, restaurants remain concerned with inflationary pressures, employee shortages, and existing government regulations. More than 75% of restaurants said that increased food prices and worker shortages are among their top concerns.

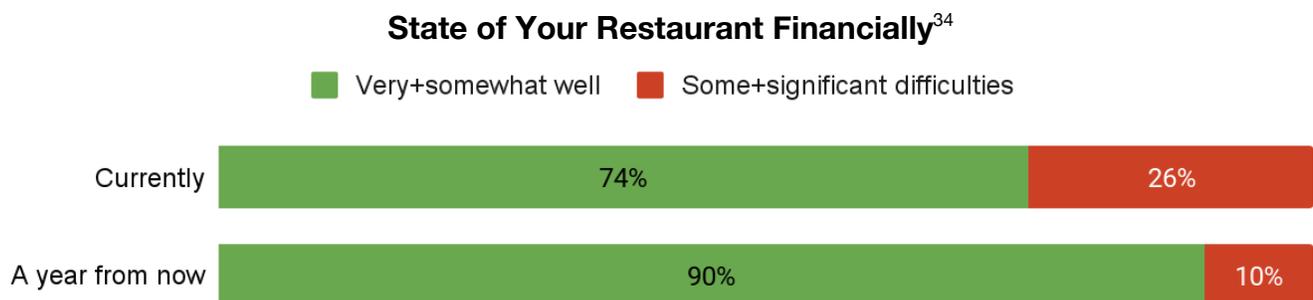
## Restaurants Are Optimistic As Businesses Reopens

Restaurants who made it through the pandemic are feeling increasingly optimistic, with confidence in their long term outlook increasing 30 points since the height of the pandemic. Among the U.S. restaurants surveyed, during the height of the pandemic, the majority (53%) were worried about their ability to survive through the pandemic. Now that sentiment has almost completely reversed. **More than 3 in 4 restaurants (77%) report they are confident in their ability to survive beyond the pandemic.**



## Future Looks Even Brighter

While the majority of restaurants are already confident in their financial state, their expected financial health increases as they look to the future. **74% percent of restaurants report themselves as doing somewhat or very well financially currently**, and **90% see themselves as doing very or somewhat well a year from now.**



<sup>1</sup> Which of the following statements would have best described your views regarding your own restaurant at the worst of the pandemic? **Showing total restaurants (n=300)**

<sup>2</sup> Which of the following statements best describes your current views regarding your own restaurant? **Showing total restaurants (n=300)**

<sup>3</sup> Currently, how would you describe the state of your restaurant financially? **Showing total restaurants (n=300)**

<sup>4</sup> How do you anticipate your restaurant will be doing a year from now? **Showing total restaurants (n=300)**

## Restaurants are better positioned to succeed

For a myriad of reasons, 85% of restaurants reported that they're in a better position to succeed today than they were before the pandemic hit.<sup>5</sup>

New outdoor dining structures have had a major impact on revenue. Among those surveyed, 66% of restaurants that currently offer in-person dining have built new outdoor structures during COVID,<sup>6</sup> and **79% with outdoor dining structures report it as having a very or somewhat significant impact on increasing revenue.**

### Outdoor Structure Revenue Impact<sup>7</sup>

■ Very+Somewhat Significant Impact ■ Not Significant+No Impact



Alcohol delivery has helped as well. Among those offering alcohol for delivery, **more than 9 in 10 (95%) say alcohol delivery has increased their revenue.**<sup>8</sup>

Many restaurants used the downtime during the pandemic to make upgrades to their facilities, improve operations, and streamline menus.<sup>9</sup>

“During the little time off during the pandemic we were able to fine-tune the restaurant and improve the menu, the layout and our staff so that when we started getting back to normal everything was working much faster and smoother and we have a better menu which allows us to generate more profit.”

- Urban Restaurant in the Northeast (Independently Owned)

“During the pandemic and the closure that followed, our restaurant and bar was fully renovated with new equipment, decor, and kitchen fixtures. It is a drastic improvement.”

- Suburban Restaurant in the South (Independently Owned)

“During the pandemic we learned to diversify our products and decrease our expenses.”

- Urban Restaurant in the West (Franchise of National Chain)

<sup>5</sup> Compared to before the pandemic, your restaurant will be in ... **Showing total restaurants open prior to the pandemic(n=295)**

<sup>6</sup> Currently, does your restaurant operate tables in outdoor seating structures built during the pandemic (i.e. wooden shelters, tents, parklets, etc.)? **Showing restaurants that offer in person dining (n=197)**

<sup>7</sup> How much of an impact have these outdoor structures had in increasing your revenue? **Showing restaurants that built outdoor seating structures during the pandemic (n=131)**

<sup>8</sup> You said you offer alcohol through delivery. Currently, how much does alcohol delivery increase your revenue? **Showing restaurants that offer alcohol through delivery (n=81)**

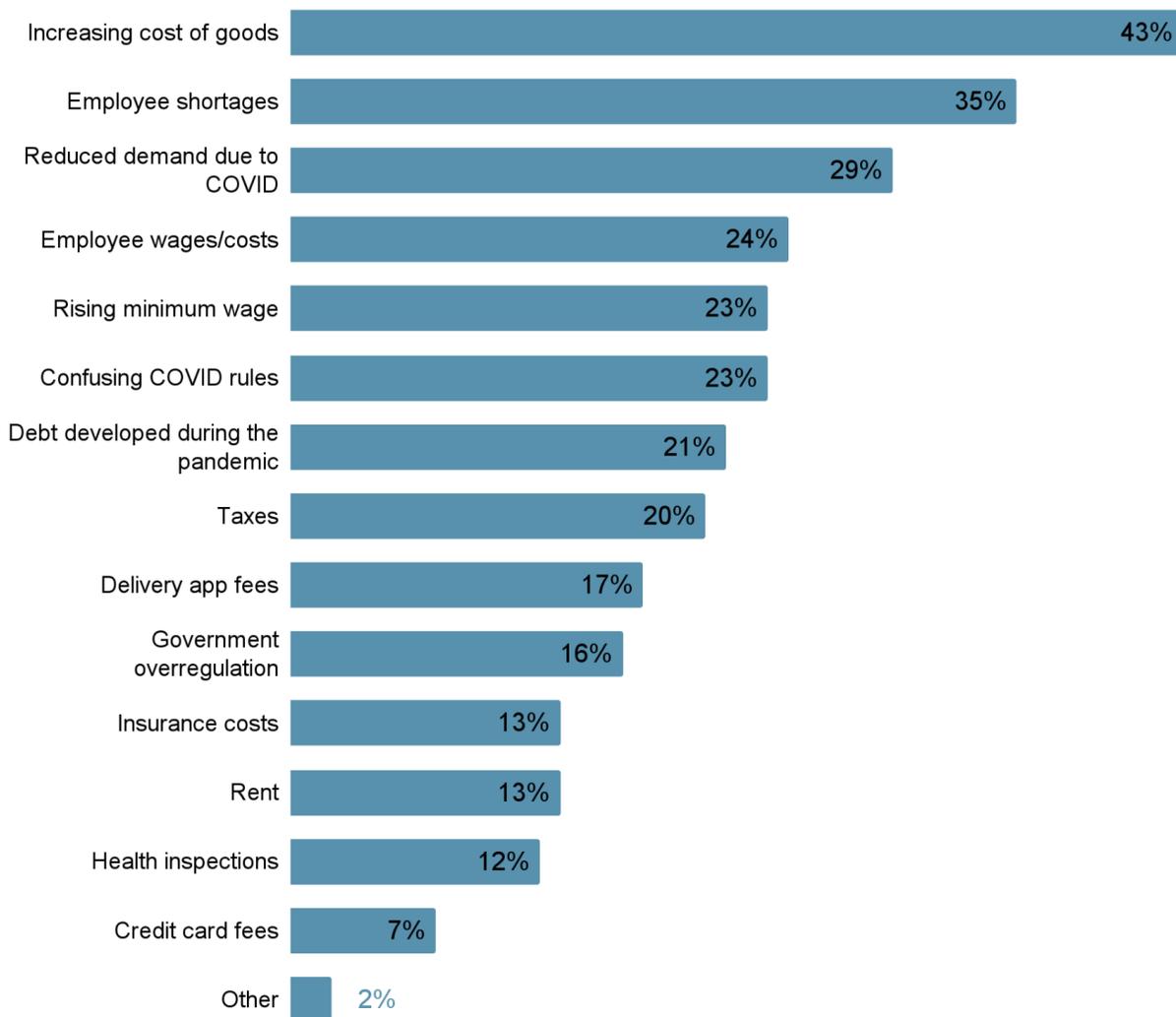
<sup>9</sup>You said that your restaurant is in either somewhat better or much better shape compared to before the pandemic, what are the biggest factors that have contributed to this improvement? **Showing selected open end responses**

## Threats on the Horizon: Food Costs, Worker Shortages and Regulations

As business returns, restaurants are largely worried about higher costs, employee shortages, and government COVID requirements. **Restaurants are foremost concerned about the increasing cost of goods and employee shortages, garnering 78% among restaurant top concerns.** Outside of inflationary pressures, restaurants remain concerned about existing and confusing regulations. Higher minimum wages, confusing covid rules and taxes remain top concerns.

Surprisingly rents and delivery fees, two of the most talked about issues, were less of a concern for restaurants.

**Top Restaurant Concerns**  
(Restaurants Selected Their Top 3 Concerns)<sup>10</sup>



<sup>10</sup> Currently, which of the following do you consider to be the top three concerns for your restaurant?  
**Showing total restaurants (n=300)**