85 Significant Restaurant Statistics: 2020/2021 Analysis of Data & Market Share
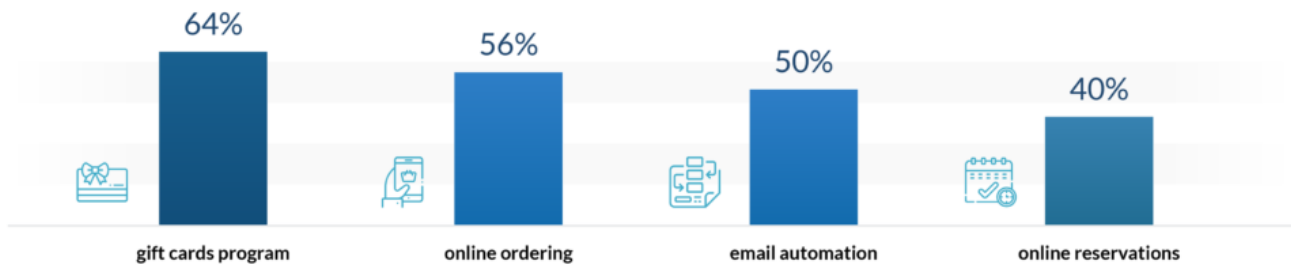
[James Anthony](#)

The restaurant industry is no slouch when it comes to variety. They range from selling a dollar meal for the masses to serving the [most expensive food](#) for more upscale diners. So why is it that there's such a great divide among restaurants when it comes to success? How is this industry so alive and thriving for some and not for others? And how will it fare in the years to come, in light of the devastating effects of the COVID-19 pandemic? These restaurant statistics compilation may provide an answer to all these and more.

By reading this article, you will, at the very least, get informed about the industry. But we hope that you can use the following information as a guide to help you with your business. The statistics provided here are also useful for marketers, app developers, and food lovers.
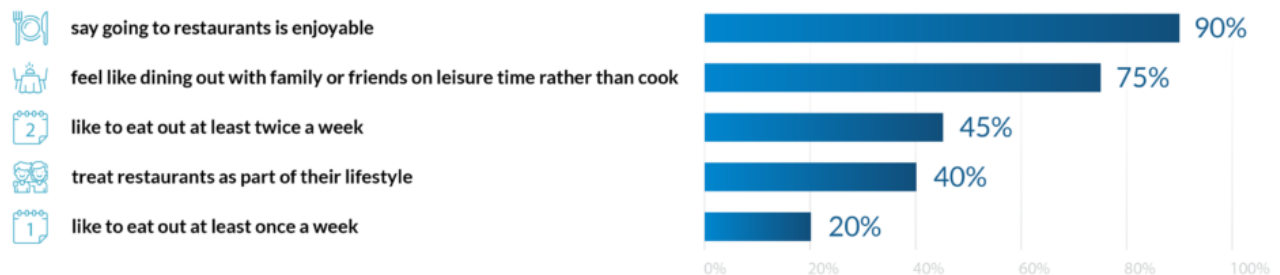
3 Key Restaurant Statistics You Should Know

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1 Features that customers & restaurant owners want in a restaurant app
Sources: Toast

- 64% gift cards program
- 56% online ordering
- 50% email automation
- 40% online reservations

2 Consumer attitudes toward restaurants
Source: restaurant.org, Toast

- say going to restaurants is enjoyable — 90%
- feel like dining out with family or friends on leisure time rather than cook — 75%
- like to eat out at least twice a week — 45%
- treat restaurants as part of their lifestyle — 40%
- like to eat out at least once a week — 20%

3 Top challenges faced by restaurants
Sources: Toast

- 52% high operation cost
- 51% staffing
- 35% training staff
- 32% retaining staff

Restaurant Statistics Table of Contents

Restaurant Market Statistics

The National Restaurant Association projected that sales of the restaurant industry will hit a whopping $899 billion this year. However, this was adjusted to $659 billion, incurring $240 billion in losses due to the pandemic. This has caused restaurants to post lower sales and report financial distress. Restaurants are also capturing only 45% of the share in food spending from consumers. Compared to 51% during pre-pandemic levels, 2020 was not a good time for the food industry. Here are more restaurant data to prove how challenging this sector is in the past year:

- From an initial projection of $899 billion, the restaurant industry's projected worth was adjusted to $659 billion in sales in 2020. The industry incurred a loss of $240 billion due to the pandemic. (Restaurant Dive, 2020)
- As of January 2021, there was a 65.91% year-on-year decline in consumers dining in restaurants in the U.S. as a result of the COVID-19 pandemic. (Statista, 2021)
- The restaurant industry's share of the food dollar in the United States is 51%. (NRA Restaurant Industry Facts at a Glance, 2020)
- 8.1% – The percentage increase in debt between 2019 and 2020 for limited-service restaurants. (AlixPartners, 2020)
- In 2020, 50% of limited-service restaurants became distressed businesses due to changes in consumer behavior brought about by the COVID-19 pandemic. (AlixPartners, 2020)
- Since October 2020, 83% of fine dining restaurants expected lower sales in six months. (Restaurant Dive, 2020)
- In 2020, 63% of full-service restaurants became distressed businesses due to changes in consumer behavior brought about by the COVID-19

pandemic. ([AlixPartners](), 2020)
- 17.2 million – The projected number of jobs that the restaurant industry would generate by 2030. ([NRA State of the Industry Factbook](), 2020)
- Over 60% of adults have worked in the restaurant industry at some point during their lives. ([NRA State of the Industry Factbook](), 2020)
- Nearly 50% of Americans got their first job experience in a restaurant. ([NRA State of the Industry Factbook](), 2020)
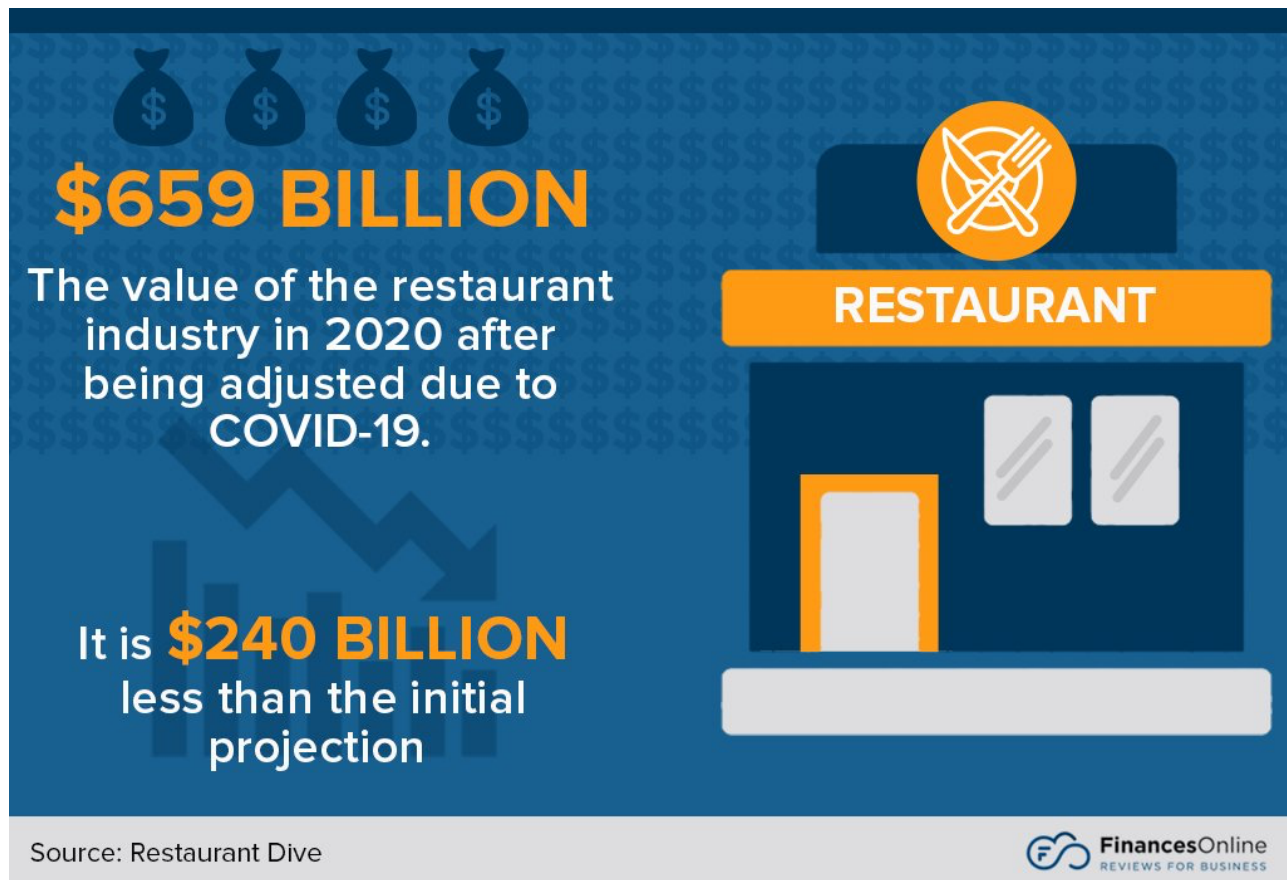
Restaurant Technology Statistics

The restaurant industry is becoming increasingly digital right now. Most diners have modernized with time, or at least used technological innovations on some of their processes. Thus, they are enjoying a variety of competitive advantages. Some of them include appealing to a younger audience, having a wider coverage of promotions, and making smarter business decisions. The [leading POS solutions](), for one, add a lot to the business process in terms of compliance and convenience. Other benefits,

together with how specifically effective they are, are shown below:

- 50% of restaurant professionals say accounting, payroll, and business intelligence software is very important for their business. ([Toast Restaurant Success Report](), 2019)
- 56% of consumers want to know how restaurants use their personal information. ([Technomic](), 2020)
- On average, restaurants use three technology vendors for their managing back-office operations. ([Toast Restaurant Success Report](), 2019)
- In 2019, 51% of diners ordered directly from a restaurant's website, 38% used an online ordering aggregate site, while 29% used an app. ([Toast Restaurant Success Report](), 2019)
- In light of the COVID-19 pandemic, it is projected that by the end of 2021, there will be 44.1 million users of food delivery apps in the U.S. ([eMarketer,]() 2020)
- Additionally, experts predict that 27.9 million adults in the U.S. will be using a grocery app in 2021. ([Statista](), 2020)
- QR code payments will see a growth of 240% between 2020 to 2025, spurred by demand for cashless payments due to the pandemic. ([Juniper Research](), 2021)
- Using digital menu boards can increase yearly store sales per unit by $16,000. ([Presto](), 2021)

Features of apps and devices

Clearly, there are serious advantages in utilizing applications or devices that improve the services offered by restaurants. You might be an app developer or an operator wanting to understand the [benefits of restaurant management system]() to your business. In that case, there's one thing you should always consider. Having features that target smaller audiences is a plus. But having functionalities that cater to the needs and wants of many is a must. Here's a list of a few restaurant market report statistics. Hopefully,

it'll assist you in determining which functions must be present in the app you're developing or choosing:

- 36% of restaurant professionals consider labor software as extremely important. ([Toast Restaurant Success Report](), 2019)
- 92% of all top-performing restaurants offered mobile order-ahead and loyalty rewards programs, or a combination of both. ([Order to Eat](), 2020)
- 53% of restaurants use cash-out tips as a tipping method. ([Toast Restaurant Success Report](), 2019)
- 54% of guests say that online reservation is the most important technology feature. Likewise, 41% say it's free Wi-Fi. ([Toast Restaurant Success Report](), 2019)
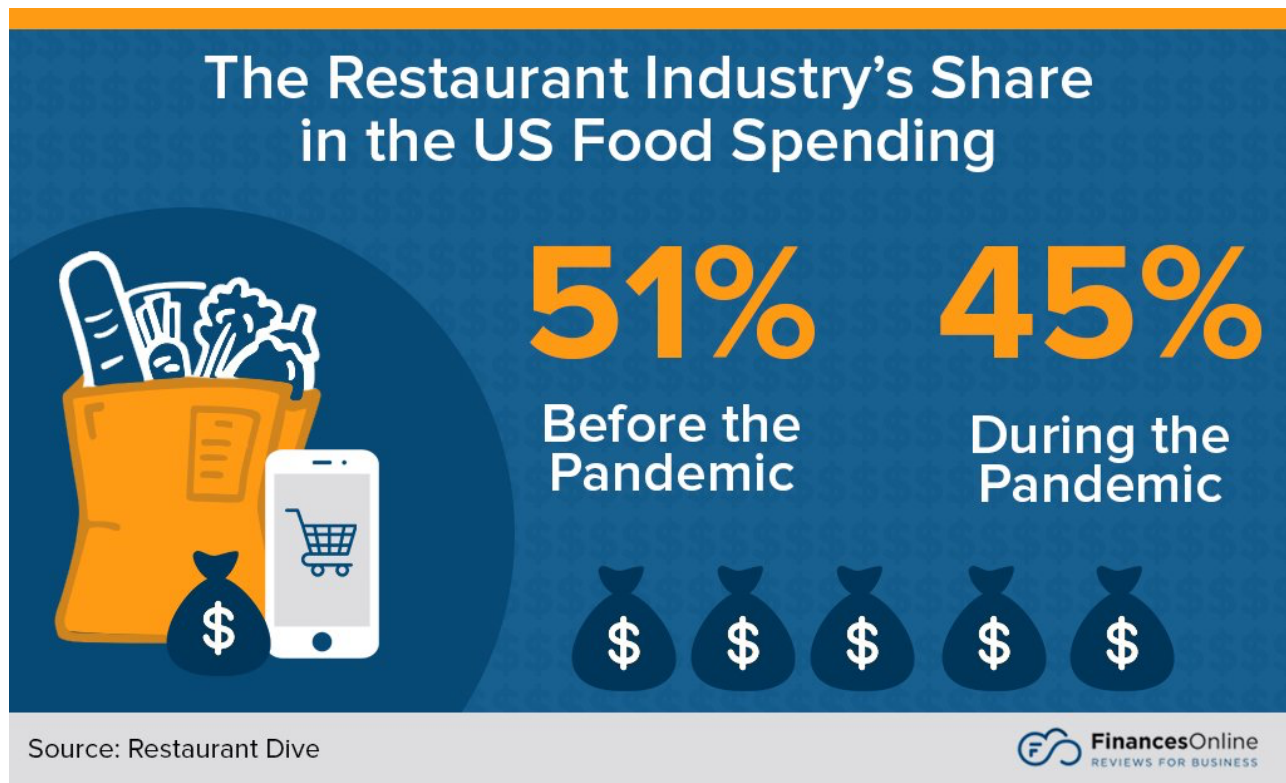
Source: eMarketer

Economy Statistics

It's true that no business is set to a sure path of success. Therefore, knowing vital details about the ones you're investing in is a big deal. There's a ton of economic factors to consider when entering the food industry, such as a restaurant. Demographics, availability of raw materials, and competition to name a few. People who are planning to have their very own restaurants might be indecisive. They're not sure if it's a good idea or not. The next set of restaurant market size statistics could, among other factors, help in making decisions.

- As of January 2021, seated diners from online, phone, and walk-in reservations decreased worldwide by 63%. ([OpenTable](), 2021)
- 47% of consumers plan to dine out less often for breakfast, 33% plan to dine out less often for lunch, while 29% plan to dine out less often for dinner. ([Acosta](), 2020)
- 55% of diners have been eating at home since the start of the

pandemic. ([Acosta](), 2020)
- Once the COVID-19 situation normalizes, 41% of consumers will turn to restaurants for relaxation. ([Dataessential](), 2020)
- 59% of adults in the U.S. plan to use their stimulus checks on food. ([Statista](), 2020)
- Pre-pandemic, the restaurant industry captured 51% of food spending in the U.S. This was reduced to 45% of spending during the pandemic. ([Restaurant Dive](), 2020)
- Profits from the restaurant industry are expected to rise to about 15% in 2021 as dining restrictions due to the pandemic are relaxed. ([Moody's](), 2020)
- On average, restaurants gain 3 % to 5% profit margins. ([Beambox](), 2020)
- 87% of full-service restaurants experienced an average of 36% drop in sales. ([NRA COVID-19 Restaurant Impact Survey V](), 2020)

The Restaurant Industry's Share in the US Food Spending

51% Before the Pandemic

45% During the Pandemic

Source: Restaurant Dive

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Industry Challenge Statistics

As with every industry, restaurants are also constantly battling with

problems to thrive. Those troubles come in different shapes and sizes, which has especially been emphasized because of the pandemic. Generally, they could bring serious damage if left unchecked. Restaurant market research indicates that lower profit margins and high labor costs are the main challenges diners are facing. Here are more detailed statistics about that:

- 86% of restaurant operators report having lower profit margins compared to pre-pandemic levels. Only 6% report having higher profit margins in 2020. ([NRA COVID-19 Restaurant Impact Survey V](), 2020)
- In 2020, around 2.5 million employees in the restaurant industry were out of work. ([NRA 2021 Top Restaurants Trend](s), 2020)
- 59% of restaurant operators report having higher total labor costs as a percentage of their sales compared to pre-pandemic levels. Only 21% report having lower labor costs in 2020. ([NRA 2021 State of the Industry Report](), 2021)
- 89% of full-service restaurant operators say that their current staffing levels are below normal. Meanwhile, 74% of limited-service restaurant operators say that their current staffing levels are below normal. ([NRA 2021 State of the Industry Report](), 2021)
- Restaurants that closed in 2020 employed an average of 32 people, with 17% of them having at least 50 employees before they shut down. ([NRA 2021 State of the Industry Report](), 2021)
- In December 2020, jobs in the leisure and hospitality industry in the U.S. declined by 498,000. Out of those jobs, three-fourths or 372,000 jobs came from food services and drinking places. ([U.S. Bureau of Labor Statistics](), 2021)
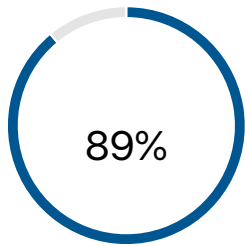
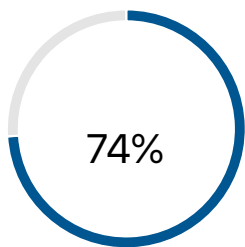## Top Challenges Faced by Restaurants in 2020

86%

Lower profit margins

59%

Higher labor co

89%
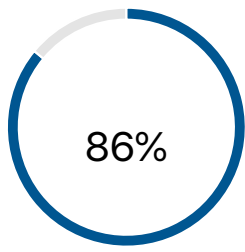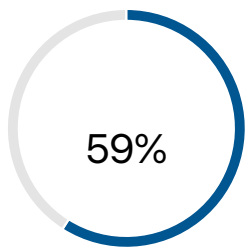
**Below-normal
staffing levels
full-service
restaurants)**

74%

**Below-normal
staffing levels
limited-service
restaurants)**

Source: National Restaurant Association, 2020

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Online Marketing Statistics

What good is tasty food, if no one knows about it? Competition in the restaurant industry is fierce, more so than ever. So making sure your business is known by the masses is the bare minimum requirement for keeping afloat. There's a variety of ways to do it. However, the method that has really gained traction over the years is online promotion — something

that proved particularly helpful during the pandemic. It can be achieved in different ways as well. Making a dedicated website or app for instance. You could also take advantage of reviews and leverage social media using reputation management software. Take a look at these statistics to see why online promotion is a force to be reckoned with in marketing.

- 90% of guests research a restaurant online before actually going there. This is a practice done more in this business type compared to others. (Upserve, 2019)
- 35% of guests discover restaurants through online reviews and the restaurant's website. The majority (49%) find them through recommendations from friends and family. (Toast Guide to the Restaurant Guest, 2020)
- 64% of guests said that staff taking safety precautions and wearing personal protective equipment is their most important consideration when returning to on-premise dining. (Toast Guide to the Restaurant Guest, 2020)
- 33% of diners won't eat in restaurants whose online rating is lower than 4-stars in review sites. Examples of which include Yelp, TripAdvisor, and Google. (ReviewTrackers, 2019)
- Improving customer reviews by half a star can boost revenues by 5% to 9%. (Payments, 2020)
- 92% of diners read restaurant reviews. (Upserve, 2019)
- 77% of consumers look up more on peer reviews compared to critic reviews. (Upserve, 2019)

35%

Percentage of customers that discover restaurants online through reviews and official websites

Social Media

Online reviews on sites like Yelp are good ways to promote your business. It's also a good motivation for ensuring high-quality standards. Because you don't want the public to see negative reviews about your establishment. You'll need to use a powerful platform that truly makes use of the internet: social media. According to Brandwatch, there are 3.03 billion active users on social media. That's a staggering number, insane if you actually think about it. If you're still not convinced that it's the platform to focus advertising on, no big deal. Here are a few social media restaurant statistics to help make up your mind:

- 91% of retail brands have two or more channels on social media. (Brandwatch, 2019)
- 10% of restaurant guests said that a restaurant's social media or email marketing tactics influence them to return to a restaurant. (Toast Guide to the Restaurant Guest, 2020)
- 50% of consumers expect a response on social media within 30 minutes. However, only 50% of companies meet this expectation.

(Eptica, 2020)

- 67% of restaurants are planning to use social media advertising in 2019. (Toast Restaurant Success Report, 2019)
- 20% to 40% – The likelihood that customers will spend time in restaurants that they have engaged on social media. (Reviewtrackers, 2019)

Facebook

Undoubtedly the most popular and most-used social media platform. You and practically everyone you know has an account on it. This is the sea with the biggest number of fish.

- 25% of consumers expect a response on Facebook within five minutes. However, the average response time on Facebook is one hour and 56 minutes. (Eptica, 2020)
- Restaurant diners are more likely to leave high ratings on Facebook compared to other review sites. (Reviewtrackers, 2020)
- 92% of restaurants are using Facebook for social media branding and marketing. (Toast Restaurant Success Report, 2019)

Twitter

It's true that Facebook is the most used social media platform. Twitter users, however, have the highest level of engagement with restaurants compared to all other industries.

- The average engagement rate for food and beverage brands on Twitter is 0.064%. This is slightly higher than the median engagement rate for all industries which is 0.045% (Rival IQ, 2020)
- In 2020, #food had 1,129,432 mentions on Twitter. (Brandwatch, 2020)
- 37% of food conversations happened on Twitter. (Brandwatch, 2020)
- 39% of restaurateurs use Twitter to promote their restaurant. (Toast

Restaurant Success Report, 2019)

Instagram

Food appeals to eyes as much as they do to our tummies. Capturing a photo of a food before consuming it has become a practice in the past few years. And it shows no sign of stopping.

- The top Instagram is #food which garnered 25,279,694 mentions in 2020. (Brandwatch, 2020)
- 90% of Instagram users follow a business. (Instagram, 2020)
- 87% of people on Instagram took action after seeing information about a product, such as following a brand, visiting their website, or buying online. (Facebook IQ, 2019)
- For food and beverage companies, photos had an engagement rate per post of around 1.3%, performing better than carousel or video content. (Rival IQ, 2020)
- In 2020, the top hashtag by engagement rate for the food and beverage industry is #giveaway, which generated an engagement rate of 3.650% for companies that used it. (Rival IQ, 2020)

Food Orders Statistics

Restaurants have lots of variants, atmospheres, and uniqueness in them. But one thing remains the same, your customers are mainly there for your food. Thus, most of your efforts must be exerted on the type and quality of food your establishment serves. We have compiled here a bunch of statistics. Hopefully, this could give you an idea or two about the food you want your restaurant to serve.

- 32% or nearly one in three consumers said that their eating habits have become healthier over the past year. (International Food Information, 2020)

- 50% of consumers say that they are more likely to cook meals from scratch since the pandemic began. ([International Food Information](), 2020)
- 8% of Americans subscribe to at least one online subscription box for meal kits. ([Statista](), 2020)
- 149% – The increase in the number of orders of fermented foods in the Upserve customer menus. ([Upserve](), 2020)
- About 8 in 10 adults – consumers who said that restaurants give them access to their favorite flavors that they can't duplicate at home. ([NRA State of the Restaurant Industry Report](), 2021)
- 50% of restaurant guests said that the quality of food is a factor that influences whether or not they return to a restaurant. Only 31% said the value was the main factor. ([Toast Guide to the Restaurant Guest](), 2020)

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Top Factors that Make Customers Return to a Restaurant in 2020

Quality of food

50%

Attention to cleanliness and safety

43%

Value

31%

Menu options

27%

Desire to support local business

22%

Staff friendliness

21%

Proximity

19%

Order ahead

17%

Delivery speed

16%

Discounts and offers

15%

Presence on delivery apps

12%

Social media or email marketing

10%

Loyalty program

9%

Events

8%

Source: Toast, 2020

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Top Restaurant Management Software

1. [Toast POS](#) is a system that lets you process orders and payments as well as oversee the behind-the-scene workflows, such as those in the kitchen. Other than that, it has tools that can help your restaurant business thrive.
2. [TouchBistro](#) is an iPad-based restaurant POS. Despite the name, it is a solution that helps you manage your menu, order processing, and kitchen workflow.
3. [Oracle Food and Beverage](#) offers a wide range of functionalities that let you set up kiosks, manage the kitchen, and control costs. It also aids in streamlining the overall restaurant management process.
4. [Lavu](#) is a mobile POS that packs a comprehensive set of tools that enables you to control every facet of your restaurant. With this, you can revolutionize the service (and food) you provide to diners.
5. [Form.com Restaurant Inspection Review](#) is a forms automation platform that empowers you to be compliant. Using this, you can gather data intelligently to help you stick to regulations and to be accountable for their tasks.

Millennials Preference Statistics

Why bother with this certain demography of people? That's because millennials have finally surpassed the baby boomers in terms of buying

power. This generation is projected to become the largest part of the American demographic in 2019. 54% of them go out at least thrice a week to eat according to USA Today. So marketing to them should increase your bottom line. We took a peek at the various restaurant market research geared towards Generation Y or millennials. And here are some statistics that show their preference.

- 32% of millennials in the U.S. bought more healthy food products as a result of the COVID-19 pandemic. (Morning Consult, 2020)
- 82% of millennials said that they are more likely to buy specialty food. (Progressive Grocer, 2020)
- 53% of millennials are more likely to pick a restaurant if they offer alcoholic beverages with their to-go order. (NRA State of the Restaurant Industry Report, 2021)
- 48% of millennials say that cost is their top priority when it comes to food. (SWNS Digital, 2019)
- Moreover, 67% of millennials say that they are more likely to choose a restaurant if they offer a delivery option. (NRA, 2019)
- In a more recent survey, 74% of millennials said that they ordered takeout or delivery for dinner during the previous week while 60% of millennials ordered lunch for takeout or delivery during the same period. (NRA Online Survey, 2020)

67%
OF MILLENNIALS

Said that the option for delivery can make them pick one restaurant over another.

Source: National Restaurant Association Online Survey

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Payment Statistics

Payment is a very important (and exciting) process for businesses. Because of this, looking for ways to improve them is a good investment. Through the statistics presented below, we hope that you'd get a better grasp of the implementation of the payment process, especially if you're yet to consider mobile payment systems. You can also use the following data to add or remove features to further enhance your business.

- 47.81% of consumers in the U.S. and the U.K. were open to using a QR code as a mode of payment in bars and restaurants. (MobileIron, 2020)
- 58% of consumers in the U.S. prefer to pay without cash. (Statista, 2021)
- 15% of global consumers say that they would like to be able to pay with their smartphone when paying for food and drinks in restaurants. (Statista Global Consumer Survey, 2020)
- 49% of restaurant operators think that a mobile payment option is a must-have technology for diners. (Upserve, 2020)
- 34% of diners said that the availability of contactless or mobile

payment options are important technologies during and after COVID-19. ([Toast Guide to the Restaurant Guest](#), 2020)

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Places Where Consumers Are Willing to Use QR Codes in 2020

Restaurant/bar

47.81%

Bank/ATM

32.14%

Doctor/Pharmacy/Hospital

26.97%

Online Bills

24.98%

None of the above

28.53%

**Source: MobileIron**

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Order Delivery Statistics

Delivery of food straight to homes isn't a new practice. However, it certainly gained a lot more attention during the past few years. According to nrn.com, digital delivery and ordering has grown around 300% faster compared to dine-in traffic from 2014. Reasons for this vary, such as the rise of online ordering systems. Services dedicated to food deliveries have also become prominent. So, should a restaurant enter the fray as well? You won't be the first if you do. Look at these statistics derived from various restaurant market analyses. With this data at your disposal, you'll see if adding a delivery service to your repertoire is a good idea.

- In a survey, 66% of adults in the U.S. said they ordered takeout for delivery for dinner during the previous week, while 47% did the same for lunch. (NRA Online Survey, 2020)
- 63% of U.S. consumers say they prefer to order directly from a restaurant, while 18% say they use third-party delivery services. (Sense 360, 2020)
- 35% of U.S. consumers said that having low fees is a factor in their choice of which food delivery platform to use. (Sense 360, 2020)
- The number of people who used online food delivery services increased by 25% in 2020 compared to 2019. (American Journal of Transportation, 2021)
- Third-party food delivery apps typically charge restaurants 15% to 30% of the total order price in commissions and fees. (CNET, 2020)

15% to 30%

Percentage of total order price charged as **commissions and fees by third-party food delivery apps** to restaurants.
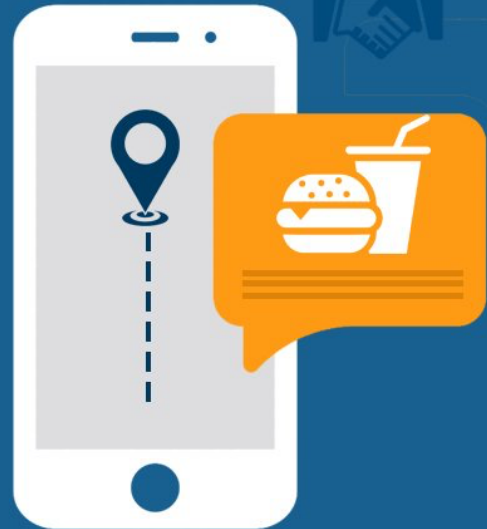
Source: CNET

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It is a Multi-Faceted Industry

Restaurants aren't the easiest things in the world to run. They have oddities not found in other businesses, as shown in the restaurant industry statistics presented here. For this reason, one must always be on the lookout for developments in the food industry. A lot of things must be watched out for. On the bright side, it also means that a lot of things can be used for your gain.

Take advantage of social media to learn what your consumers really want. Offer healthy foods. Extend your functionality by joining a delivery service network. Make your menu appealing to millennials and more people. Integrate technology like the best restaurant management software into your processes. Also, read useful articles, such as this relevant POS statistics. This is beneficial in case you want to install a POS solution at your restaurant. Prepare foods that will surely be loved by your target consumers. All these and a lot more can be done to supercharge your business and hopefully help you survive in the new normal after the COVID-19 pandemic ends.

A senior FinancesOnline writer on SaaS and B2B topics, James Anthony passion is keeping abreast of the industry's cutting-edge practices (other than writing personal blog posts on why Firefly needs to be renewed). He has written extensively on these two subjects, being a firm believer in SaaS to PaaS migration and how this inevitable transition would impact economies of scale. With reviews and analyses spanning a breadth of topics from software to learning models, James is one of FinancesOnline's most creative resources on and off the office.